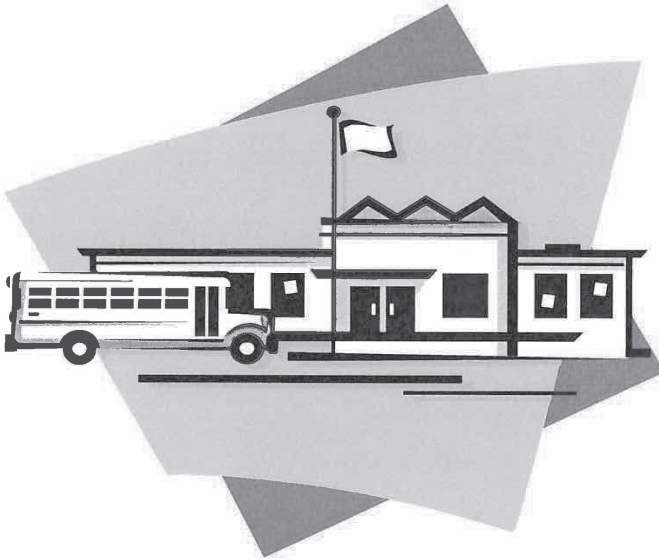


ANNUAL REPORT
of the
LITCHFIELD
NEW HAMPSHIRE
SCHOOL DISTRICT



2009

In Memoriam



DONALD G. LIPPINCOTT
AUGUST 8, 1945—MAY 7, 2009

Technical Education Teacher

LITCHFIELD MIDDLE SCHOOL
LITCHFIELD SCHOOL DISTRICT

In Memoriam



JAMES W. BLISS
JULY 5, 1947—NOVEMBER 20, 2009

Physical Education Teacher

GRIFFIN MEMORIAL SCHOOL
LITCHFIELD SCHOOL DISTRICT

LITCHFIELD SCHOOL DISTRICT ANNUAL REPORT – 2009

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SCHOOL DISTRICT OFFICERS

MODERATOR

John G. Regan

CLERK

Lynn Baddeley

TREASURER

Lynn Baddeley

SCHOOL BOARD

Dennis Miller, Chair
Term Expires March 2012

Ralph Boehm, Vice-Chair
Term Expires March 2010

Patricia Jewett
Term Expires March 2010

Cynthia Couture
Term Expires March 2011

Jason Guerrette
Term Expires March 2012

Alyson Stapleton
Cameron Branco
Student Representatives to the School Board



LITCHFIELD SCHOOL DISTRICT

School Administrative Unit #27

Litchfield Board of Education

One Highlander Court

Litchfield, NH 03052

Phone: (603) 578-3570

Fax: (603) 578-1267

Equal Opportunity Employer

Dennis Miller, Chair

Ralph Boehm, Vice Chair

Cynthia Couture

M. Patricia Jewett

Jason Guerrette

2009 ANNUAL REPORT SCHOOL BOARD CHAIR

To my fellow residents of Litchfield,

It is with great pride I submit my third annual report as Chairman of the Litchfield School Board. As a board, we remain focused on providing the framework to enable the best educational experiences possible for all students. I am fortunate to have my fellow members on the board; their diverse backgrounds and viewpoints make the experience a truly rewarding one.

Each member of the board continues to participate in some form of work for the district beyond the school board meetings. There are a variety of activities which school board members are involved: meetings with other educational organizations, participation in town and state government, as well as attendance at performances, sporting events, academic ceremonies and more.

The SAU and GMS staff did an outstanding job in working to bring Kindergarten to Litchfield in August of this year. Immediately after the March town vote, people swung into action to secure portables and to work with the building and fire departments to lay out the installation locations and guidelines. Teaching positions were advertised, interviews conducted and teachers selected. Supplies were ordered and setup in the new classrooms once they were complete. When school opened, we had 60+ students enrolled and attending Kindergarten.

We are in year two of a planned three year plan to bring GMS up to state approval standards. Lighting was replaced in ten rooms and non-code compliant wiring was replaced. The next set of ten rooms will receive upgraded lighting this year, and a new handicapped bathroom is planned for next year.

Dr. Elaine Cutler announced her planned retirement this year in October, and the district has embarked on a superintendent search for her replacement. She brought tremendous insight into the education process from her years in Florida as well as in New Hampshire. While she is a school district employee, she has truly been serving the needs of the entire town, and her leadership and can-do attitude will be difficult to replace.

For the second straight year, the students, staff and administration participated in "Make a Difference Week" and focused their efforts on gathering food for the Litchfield Food Pantry. The drive was a tremendous success, filling the pantry for the second year in a row. Thanks to all who participated.

We continue to have incredibly talented staff who are nominated for state and national accolades each year. In the past year, we have had a finalist nominee for Teacher of the Year, a finalist for

Principal of the Year, and a winner of the Milken National Educator Award. Your support of the educational process in Litchfield allows us to attract and retain quality professional people.

I want to again thank the residents of Litchfield for their support of the school district initiatives over the past years. The school board and administration look forward to working together next year to provide the best possible education to each student in Litchfield. It is only together we can truly succeed.

Respectfully submitted,

Dennis Miller
Litchfield School Board Chair



LITCHFIELD SCHOOL DISTRICT

School Administrative Unit #27

Office of the Superintendent

One Highlander Court

Litchfield, NH 03052

2009 ANNUAL REPORT SUPERINTENDENT OF SCHOOLS

It is my honor to present the 2009 Annual Report for the Litchfield School District. This will be the third and final Annual Report that I have had the privilege of writing. I have truly enjoyed my experiences working in the Litchfield School District. It has been a wonderful conclusion to a satisfying and fulfilling 41 year career in education.

In early 2009, the school district examined its safety and emergency procedures. The ice storm of December 2008 found the district a vital partner in emergency management for the community as Campbell High School was the site of a warming shelter for several days during this historic storm. As a result, the town purchased an emergency generator that would more efficiently operate a shelter in the future. School personnel were vitally important during this storm and a note of gratitude for their efforts is in order.

The March School District Meeting resulted in the passage of an Operating Budget of \$20,727,636 and the failure of the Litchfield Education Association (LEA) collective bargaining agreement. The LEA and the Litchfield School District have returned to the negotiations table in hopes of bringing forth a collective bargaining agreement for the March 2010 School District Meeting.

Economically speaking, 2009 was a difficult time for the state and the community. Foreclosures were numerous, and some citizens were laid off as companies downsized and reexamined work force needs. The school district examined its budgetary spending patterns and became more fiscally conservative with a resulting return of funds to the taxpayers in excess of \$500,000.

The year of 2009 noted the passing of two Litchfield School District teachers who were greatly respected and revered in the community. Mr. Donald Lippincott, technical education teacher for more than 20 years at Litchfield Middle School died suddenly in May 2009. Many homes in Litchfield contain cherished wood projects that students completed with Mr. Lippincott. Mr. James Bliss longtime physical education teacher at Griffin Memorial School passed away in November 2009. Mr. Bliss, with his kind and gentle ways, taught hundreds of Litchfield children the joy of being active and healthy. Both gentlemen will be greatly missed by their colleagues and the students whose lives they touched.

Kindergarten became a reality for the Litchfield School District in August 2009 with 62 youngsters housed in portable classrooms with two teachers and two assistants at Griffin Memorial School. Kindergarten was mandated by the State and was subsidized with state funds. Two portable classrooms were earmarked for kindergarten and will be funded by the state for three years. There are now five portable classrooms on site at GMS.

The GMS facility, which is the oldest school in the community, continues to be improved. As part of the negotiated plan for School Approval with the New Hampshire Department of Education, new energy efficient lighting was installed in ten classrooms and the gymnasium, as well as a voice activated alarm

system. Romex wiring was also removed. The lighting project and the Romex removal project will be continued in 2010. Lighting replacement will be a four year project.

The American Recovery and Reinvestment Act (ARRA) has provided the district with fiscal opportunities to enhance special educational services to the district as well as providing improvements for all schools. White boards have been purchased to replace chalk boards at GMS which will result in better air quality for students and staff who are sensitive to chalk dust. An additional mobile computer lab has been received at LMS to provide better access and availability to middle school students, and a paraprofessional has been employed at CHS to provide direct services to at-risk students in the Student Assessment Center.

The district held its first community wide Health Awareness Fair on April 19, 2009 at CHS in conjunction with the Raider Run. It was a well attended event that brought the community into the schools and improved awareness about health, proper nutrition and the importance of physical exercise.

NH state assessment results continue to improve in all schools in reading, mathematics and writing. The rising academic performance of Litchfield students is a source of great pride to school personnel and the community. The District is focused on continuous improvement in academic achievement at all levels for all students. Programs and services are in place for struggling students as well as students who are in need of enrichment activities.

September marked the 275th anniversary of the Town of Litchfield. A great parade was held with much participation by school children and staff. A beautiful float celebrating the scholarship program conducted by the Litchfield Education Association (LEA) with 4th grade students dressed as carnations was a hit with the community. Sports teams walked with their coaches, and GMS students walked with their Principal, Mr. Bo Schlichter. SAU staff as well as school board members decorated and rode on a patriotic school float. Many historic activities were held at the town center with games, food and events held at GMS. It was a superb day for the community.

Thank you for the privilege of serving the Town of Litchfield. There is no greater calling for citizens than to educate the children of the next generation to be caring leaders as well as contributing and productive citizens in this great nation.

Respectfully yours,

Elaine F. Cutler, Ed.D.



LITCHFIELD SCHOOL DISTRICT

School Administrative Unit #27

Office of the Superintendent

One Highlander Court

Litchfield, NH 03052

2009 ANNUAL REPORT BUSINESS AND FINANCE

I am pleased to submit my annual report on the District's business and financial operations.

Major accomplishments achieved in 2009 include the first year implementation of new financial and human resources management software, meeting additional federal requirements from the stimulus program, revision of finance and purchasing policies, and major building projects at Griffin Memorial School.

The District closed fiscal year 2009 with an unreserved and undesignated general fund balance of \$522,557 or 2.85% of the total General Fund expenditures. Major contributing factors to this fund balance were: \$56,212 in excess revenues which must be returned to the year-end fund balance; an under spend in Special Education student specific budget accounts of approximately \$230,000 as these anticipated expenses which were budgeted for specific students were not required; an under spend in self-funded programs of \$50,171; and a \$56,000 under spend in the vocational education program due to fewer students attending the regional technology centers. Year-end spending restraints implemented by the Superintendent in order to return a higher year-end fund balance to help reduce taxes were also a major contributor. We continued to closely monitor spending through a formalized forecasting process involving the entire administrative team.

The District received a positive preliminary report from our auditors on our 2009 financial audit, with no material issues identified requiring further management action. Due to new auditing standards and the additional work required by our auditors to implement them, the final audit report has not been released as of the writing of this report. This year the District implemented the provisions of the Governmental Accounting Standards Board Statement 45 (GASB-45) *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions (OPEB)*, which requires that the long-term cost of retiree health care and obligations for other OPEB benefits be determined on an actuarial basis and reported in the District's annual financial report. The District does not subsidize health care benefits of its retirees. All retirees pay 100% of their benefit costs. However, the State of New Hampshire requires that the District include its retirees in the same insurance pool as active employees which may result in a higher rate for active employees.

We are thankful to the voters for approving an assistant treasurer position on the 2009 warrant. This was an area of concern identified by our auditors in our 2008 annual audit report.

All of our required reports to both the NH Department of Education and NH Department of Revenue Administration were successfully submitted accurately and on time. We continued to monitor our internal controls and modify processes when needed.

Our finance staff successfully handled ongoing operations including the first year-end close on our new eFinancePLUS financial management and HR software solution and the added accounting and reporting requirements from the federal government's American Recovery and Investment Act (ARRA).

A major effort was made to update critical business and finance policies and processes. A new Investment Policy was approved along with updates to many finance and purchasing policies. In

addition, the District implemented a new procurement card program to modernize our procurement process. The program will reduce the cost of purchases due to a year-end rebate. I want to acknowledge the continued excellent work and dedication of Chief Accountant, Jo Ellen Bellerive, and Payroll Coordinator, Bernice Manikas. I also want to acknowledge HR Director, Deb Mahoney, for her valuable contributions and support in the business and finance operations of the District.

Buildings & Grounds Operations continued to concentrate on improving the maintenance of facilities along with ensuring a clean and healthy environment. Griffin activities were the major area in 2009. Projects included the completion of some major building repairs and improvements in order to meet health, safety and school approval requirements. These included lighting, wiring and fire alarm system upgrades. In addition, installation of three new portable classrooms along with the site setup was completed for the newly mandated public kindergarten program.

Thanks to the donation of a portable building from the Town of Hudson Library Trustees, additional storage was made available at Campbell High School. We continue to work on completing the development and implementation of our district-wide preventive maintenance plan and processes. The use of energy consultants and a joint energy supply bid process continued to save the District money in its energy procurement.

I wish to acknowledge the excellent and dedicated work of our facilities team: Sue Ayer (Campbell High), Matt Bennett (District-wide Building & Grounds Coordinator), Dave Ross (Griffin Memorial), and Jack Williams (Middle School), and their staff for their excellent job in maintaining our facilities and grounds for our students and staff.

Technology efforts were concentrated on the upgrade of computer labs and the deployment of a significant number of computers and monitors we received from the Internal Revenue Service. In addition, we signed a contract with a new data communications provider that has improved service and significantly reduced costs. I do wish to take this opportunity to acknowledge the work of Technology Director, Bruce Ballou, and Technology Coordinator, Rob Demaine.

A separate report is being submitted by the director of food service. Our food service operations continue to be well run and meet the needs of our students and staff. I do wish to take this opportunity to acknowledge the excellent work of Hilda Lawrence, our Food Service Director, and her staff.

As we enter 2010, my team and I look forward to completing the implementation of a district-wide maintenance plan, completing the implementation of our new finance and HR software solution and continuing our progress in improving the business and financial operations of the District.

Respectfully submitted,

Stephen F. Martin
Business Administrator



LITCHFIELD SCHOOL DISTRICT

School Administrative Unit #27

Office of the Superintendent

One Highlander Court

Litchfield, NH 03052

2009 ANNUAL REPORT DEPARTMENT OF SPECIAL SERVICES

The Special Services Department is responsible for a number of different areas of education. In addition to special education, the Special Services Department includes 504 students, English Language Learners, and home schooled students. In 2009, 25 students were home-schooled in the Litchfield School District.

This year school districts across the country were given funds from the *American Recovery and Reinvestment Act (ARRA)* to spend on various special education enhancements and school initiatives. The Litchfield School District grant was \$342,741 for IDEA and \$4,467.87 for Pre-school. Funds from this grant are being used for improvements to technology in each school, including a computer pod at Griffin Memorial School for special needs students, a portable computer lab at Litchfield Middle School for access by special education students and other students, a computer pod at Campbell High School for students transitioning to post-secondary training, and touch-screen laptops for our most challenged students. In addition, Griffin Memorial School has installed new whiteboards in each classroom to alleviate allergens from chalk dust in the classrooms. For all students this should help create a healthier environment more conducive to learning. The grant funds will be expended over the course of a two year period.

A number of our staff have attended conferences and are members of organizations that will benefit the students of the district. Elin Pelland, our school social worker attended the Mental Health in Schools National Conference in Minneapolis, MN. In addition, Elin is involved with the Community of Practice (CoP) for Mental Health, along with the district School Psychologist, Kristen Beckley. CoP is a term used to describe a group of people who share an interest. The district Transition Specialist, Lesleigh Buchanan, is participating in the Community of Practice for Transition. These organizations allow our staff to share ideas and problem solve with their counterparts in other communities, and to bring these ideas back to the Litchfield community to further enhance their work with students.

Once again this year we have been fortunate to receive IDEA funding for preschool needs. Some of these funds are being used to enhance the learning of our youngest students through the use of music. Shannon Laine, who is a music therapist through the Manchester Community Music School, provides music therapy twice weekly in the preschool. Music therapy promotes learning through multi-sensory stimulation. This service allows those students without language to communicate and provides a means to express themselves non-verbally. This program has been well received by the students and their families.

The special education staff welcomed three new staff members this school year. Kelly Ardita has joined the middle school staff as the eighth grade Special Education Teacher. In addition, Joanna Preucel is the new Special Education Teacher at Campbell High School, and works with ninth and tenth graders. Our third new staff member is Bonnie Johnson-Barry at Griffin Memorial School, who services our kindergarten and preschool students. We are grateful to have these new staff members as a part of our district team.

The Special Services department is focusing on more positive experiences for all of our students and their families. Through collaborative efforts with regular education staff and organizations from other New Hampshire school districts, our goal is to assist all students through the learning process, and to make their educational experience a positive one.

Respectfully submitted,

Ronda Gregg
Director of Special Services



LITCHFIELD SCHOOL DISTRICT

School Administrative Unit #27
Office of the Superintendent
One Highlander Court
Litchfield, NH 03052

2009 ANNUAL REPORT CURRICULUM AND INSTRUCTION

It is with pleasure that I submit this annual report as the Director of Curriculum and Instruction for the Litchfield School District. The Litchfield School District continues to progress toward achieving the goals set forth by the Litchfield School Board.

Each school in the district has made significant strides this past year in achieving the School Board goal of improving student achievement for all students. The percentage of students achieving proficiency on the state assessment, New England Common Assessment Program (NECAP), increased in every grade level in the district in reading, mathematics and writing as compared to the previous year's scores. In the NECAP Science assessment, the percentage of students meeting proficiency increased in two of the three grade levels assessed. The percentage of students scoring in the Proficient with Distinction category, the highest level of proficiency, increased in six out of the seven grade levels in both reading and mathematics and two out of three grade levels in writing. Finally, the median score on the Northwest Evaluation Assessment (NWEA), in seven of the eight grade levels increased from the previous year in mathematics, and five of the eight in reading.

The above stated improvements are linked to many curriculum and professional development activities that have occurred over the past year. Teachers continue to instruct our students in the newly aligned Litchfield School District Mathematics Curriculum utilizing the recently acquired enVisionsMATH Program by Scott Foresman in grades K-5, the Mathscapes mathematics program by Glencoe/McGraw-Hill Publishers in grades 6-8, and the Discovering Mathematics series by Key Curriculum Press in grades 9-12. The enVisionsMATH research study concluded this past spring with overwhelming positive results in the Litchfield data as well as the overall study data. The study found that students who participate in the enVisionsMATH Program performed better than their peers who participate in other math programs in the areas of math computation, math vocabulary, math problem-solving, and mathematics communication. These positive results of this study led to the decision to implement this program in all classes and in all grade levels K-5 in the district.

The Litchfield School District Language Arts Curriculum K-12, Music Curriculum K-12, and Art Curriculum K-12 have been revised, aligned to the state level expectations and approved by the Litchfield School Board this past year. The formation this fall of the Litchfield School District Performance and Evaluation Review Committee (PERC) which consists of school district personnel as well as community members has led to a more transparent approach to curriculum and resource adoption for the Litchfield community. PERC is currently reviewing the newly aligned Science Curriculum K-12 draft and is looking to review the Health; Information, Communication, and Technology (ICT); and Physical Education curricula drafts this coming year.

Professional development has been key in the improvement in student achievement seen this past year. Campbell High School teachers have been engaged in professional development specifically designed to

address recommendations from the New England Association of Schools and Colleges (NEASC) accreditation report during the late arrival days this school year. Litchfield Middle School continues to receive training in the implementation of the Six Traits of Writing and Campbell High School has joined them in this effort to support a district-wide approach to writing instruction. Griffin Memorial has continued with training in the implementation of enVisionsMATH. Each of the three schools continue to implement their respective assessment plans to effectively use assessment data to inform the instruction in the classroom.

Through the acquisition of grant funds both from the federal government and other organizations, the district has been able to support and start programs designed to meet the needs of the district's students and teachers. With Federal Title I funds, the district was able to expand the summer literacy academy from 20 students in grade 1 to over 70 students in grades 1-8 this past summer. Grant funds also supported additional reading and mathematics personnel at Griffin Memorial School, continued the Project 230 program at CHS, provided specialized reading and math instruction, and an afterschool tutoring program at LMS. Our Federal Title IIA funds continue to support our New Teacher Mentoring program which saw a 97% success rate in retaining quality teachers since its inception in 2008 as well as our Teachers Teaching Teachers program. The Federal Title IV funds were utilized to support the Green Team at GMS, Leaders in Prevention Program and PBIS at LMS, Challenge Day, Suicide Prevention, Project Impact and advisory at CHS.

In an effort to provide opportunities to challenge our advanced students beyond the classroom, through a generous grant from the New Hampshire Charitable Foundation and a grant from BAE systems, the first FIRST (For Inspiration and Recognition of Science and Technology) Robotics team at CHS was able to be formed and will compete this coming March at the Verizon Wireless Arena in Manchester. Another private grant and the dedication of two parent coaches allowed the development of our FIRST Lego League at LMS where the team placed fifth and received the Sportsmanship Award. An Advanced Learner Taskforce meets monthly to continue to find and implement challenging and creative opportunities for our students.

I wish to thank all the staff, administrators, school board members, and community members who work to provide a quality educational program for our students. I look forward to continuing to work with them all in achieving the goals established by the Litchfield School Board.

Respectfully submitted,

Amanda Lecaroz
Director of Curriculum and Instruction



LITCHFIELD SCHOOL DISTRICT

School Administrative Unit #27

Office of the Superintendent

One Highlander Court

Litchfield, NH 03052

2009 ANNUAL REPORT FOOD SERVICE

I am pleased to submit the annual report for the Litchfield School District Food Service Program. In my 11 years with the district, I have had the pleasure of working with a hard working food service staff, supportive administrative and SAU staff, dedicated faculty and support staff and wonderful students. Together we have made strides in improving and advancing the food service program throughout the years.

This year we have a Special Milk Program for the kindergarten students at Griffin Memorial School. This program offers kindergarten students who are in school for half day sessions to purchase low fat milk for snack time at a reduced rate of 25 cents, or free to those who qualify. Currently there are an average of 25 students or 40% of enrolled kindergarten students who participate in this program.

The Griffin Memorial School food service staff is also preparing lunches for St. Francis School in Litchfield starting this past September. This had been done at Campbell High School for the past several years. An average of 50 meals a day are prepared by GMS food service staff Monday to Thursday and picked up daily for transport by a staff member from St. Francis School. Operations are running very smoothly.

At GMS an average of 52% of its enrolled students from Grades 1-4 purchased a reimbursable lunch this year. Students have a choice of a hot entree or sandwich alternate. Ice cream (low fat and reduced sugar) is sold once a week. A la carte snacks such as fruit, vegetables, yogurt, puddings and desserts when listed on the lunch menu can also be purchased. Pre-plated salads are also available for teachers and staff. Lunch, milk and a la carte prices have not change from last year at all schools.

Activities at GMS cafeteria included the "Founding Father's Feast" which celebrated Litchfield's 275th Anniversary in September. In October, National School Lunch Week was celebrated with the theme "All Star Lunch" and the students participated in a sunflower seed guessing contest, In November, the kitchen staff passed out Thanksgiving coloring page for the students to color and polled their favorite Thanksgiving food. A Thanksgiving lunch was served and some special prize giveaways were awarded. In December students and staff were invited to decorate a paper link that was used to create a huge Holiday garland that was hung in the cafeteria for all to enjoy!

Kudos go to Mrs. Ashe's fourth grade students for interviewing me with very thoughtful questions regarding the School Lunch Program at GMS. A big thank you to these students for their contribution to the December menu. Using the USDA nutrition guidelines for School Lunch they created the "Fab Four" menu.

Special thanks go to my GMS staff: Sheila Dion, Cristen Thorpe, (who celebrates her 5th year with us!), Laura Dampolo and Pat Covey for all their hard work and enthusiasm to prepare delicious, healthy

lunches to the students of Griffin as well as adding a little fun and excitement to the students' cafeteria experience. I see many works of art hanging on the cafeteria walls from students complimenting the food and staff!

At Litchfield Middle School, the lunch participation rate has reached its all time high with close to 48% of students taking a reimbursable hot lunch. It is a much higher rate if you include a la carte food. Lunch choices include a featured hot lunch meal, sandwich alternate and salad bar alternate which all include the required protein, bread, vegetable, fruit and milk component. The salad bar continues to be popular with both students, faculty, and staff. Vegetable and fresh fruit consumption has increased.

Activities at LMS cafeteria included "Founding Father's Feast", National School Lunch Week, "All Star School Lunch" sports decorated pumpkin weight guessing contest, Thanksgiving cranberry count guessing contest and the daily trivia questions posted in the kitchen. Congratulations to "Team Kitchen" for winning the school's Holiday Trivia Contest!

Special thanks to my dedicated and hard working staff at Litchfield Middle School: Debi Hayes, Cathy Snyder (celebrating her 5th year with us!), Darlene Gymziak and Janice Garrett.

Campbell High School's food service staff continues to offer breakfast and lunch to students and staff as well as to cater school events and meetings. Reimbursable lunch offerings include 2 or 3 hot lunch entrees and pre-plated salads. Participation rate for reimbursable meals is close to 40% and a much higher rate with a la carte sales. The salad and snack bar continues to do well.

Activities at CHS cafeteria included "Founding Father's Feast", National School Lunch Week, "All Star School Lunch" with sports related theme days and activities including "Fuel your Body with Milk" and participation in CHS Science Week honoring Darwin and Kepler.

Special thanks to the kitchen staff at Campbell High School for making it all happen: Janet Belhumeur, Lucy Santos, Judy Latsha, Linda Summit and Ellie Ricard. A special congratulation to Janet Belhumeur as she celebrates a huge milestone of 25 years of service to the Litchfield School District. She started at Griffin Memorial School and is now the Lead Food Service Technician at Campbell High School. Janet goes above and beyond her duties in preparing breakfast and lunch for the students and staff of CHS. She also does catering for the school and is involved in the safety committees for both school and district. Many thanks to Janet for her many year of dedicated service!

I would also like to thank Christine Lavacchia, the food service bookkeeper for her excellent work for the program. Thank you also to the maintenance staff for helping keep the kitchen clean. And many thanks to the SAU staff for their continued support and work.

Respectfully submitted by,

Hilda Lawrence
Food Services Director

LITCHFIELD SCHOOL ADMINISTRATIVE UNIT #27 STAFF - 2009 - 2010

<u>Name</u>	<u>Position</u>	<u>Degree</u>	<u>Salary</u>
Ballou, Bruce	Director Technology (half year)	B	\$33,018.00
Cutler, Elaine	Superintendent	Ed. D.	\$113,300.00
Gregg, Ronda	Director Special Services	Ed. D.	\$93,549.00
Lawrence, Hilda	Director Food Service	B	\$47,987.00
Lecaroz, Amanda	Director Curriculum & Instruction	CAGS	\$83,507.00
Mahoney, Deborah	Director Human Resources	B	\$62,319.00
Martin, Stephen	Business Administrator	M	\$95,728.00

LITCHFIELD SCHOOL DISTRICT STAFF 2009 - 2010

<u>Name</u>	<u>Position</u>	<u>Degree</u>	<u>Salary</u>
Beckley, Kristen	School Psychologist	CAGS	\$62,866.00
Conway, Carrie	Occupational Therapist	B	\$44,317.00
Deslauriers, Jill	Speech Associate	B	\$60,066.00
Mague, Danielle	Speech Pathologist	M	\$43,256.00
McGarry, Kathrine	Speech Pathologist	M	\$61,184.00
Nieuweboer, Marilyn	Title 1 Core Teacher 50%	M	\$22,449.50
Pelland, Elin	School Social Worker	M - LICSW	\$53,014.00
Selig, Tari	School Psychologist	CAGS	\$60,770.00
Turco, Donna	Title 1 Core Teacher 50%	B	\$17,961.50



GRIFFIN
MEMORIAL
SCHOOL

Martin Schlichter
Principal
Stacy L. Maghakian
Assistant Principal

229 Charles Bancroft Highway
Litchfield, NH 03052
Phone (603) 424-5931
Fax (603) 424-2677

2009 PRINCIPAL'S ANNUAL REPORT

Dear Superintendent Cutler,

It is with great pride and pleasure that I submit this annual report to you as Principal of Griffin Memorial School. It has been an exciting year for all of us as we have completed and started many projects and continue to educate our young learners at Griffin. I will highlight some of those accomplishments as well as those areas that need attention in this report to you.

The start of the first public Kindergarten Program in Litchfield has been a huge accomplishment this year. We currently have sixty-two students in our program and all are making great progress both academically and socially. After visiting area public kindergarten classrooms with our teachers this past year, we have taken what appears to work well in all of them and incorporated it into our program. Having control over the curriculum for these youngsters affords us the ability to have them well prepared for the rigor of our first grade curriculum. Special thanks for the development and success of this program goes to Director of Curriculum and Instruction, Amanda Lecaroz, kindergarten teachers Penny Shupe and Tina Sweetser, and Business Administrator, Steve Martin. Our hope is that the programs' enrollment will continue to grow next year.

I'm very proud of the academic achievement of our students. State assessments, national standardized testing and our local assessment practices indicate solid growth and achievement. Our state assessment scores in the area of reading were in the top ten percent of all the elementary schools in the state. Our math scores demonstrated a marked increase over last years' test scores and our science scores were also some of the highest in the state. The on-going curriculum work with regards to aligning instructional content to the state grade level expectations has also helped in this achievement as well as great teaching by all the staff.

The continued development of our school's SERFA, (Skills Enrichment for All) program has also helped achievement levels for all our students. This supplemental reading program delivers reading and writing instruction to small groups of children with similar abilities four times a week. The program this year has taken on a focus of addressing the needs of our highest achieving students to challenge them at a more rigorous level.

Child development in the social, emotional and personal growth areas are important components to a successful school program. Our Character Education Program, Peaceful Playgrounds initiative and our "Green Team" environmental program have fostered positive child development in these important areas. These programs have helped establish a school community and a culture that we can all be proud of. I credit Fern Seidan, our school guidance counselor, for her leadership in developing these programs. In addition, our Student Council, under the leadership of Assistant Principal, Stacy Maghakian, continues to expand and provide excellent student leader training while providing students with several community service projects.

While I'm very proud of these and other accomplishments, we do face challenges. The most obvious is the economic condition we all face and trying to balance the needs of our students with what the town can afford. In the area of budget development, we have met with the staff to discuss what areas they see where we can save money and conserve resources without compromising the instructional needs of our students. These discussions have led to paper conservation and recycling, utilizing some older resources that we have rather than purchasing new materials and becoming more efficient with our deployment of staff in support areas.

Another challenge that needs attention is test scores for some of our special education population. While all of these students have demonstrated growth, we see areas that need improvement, particularly in the area of reading. We have established a committee of teachers, parents and administrators to look at ways we can help this population to become more successful.

I would like to thank the staff at Griffin Memorial School for all their hard work and efforts in providing a great program for the children of Litchfield. The enthusiasm they bring to our school each day is amazing. I also thank Dave Ross, our facilities manager, and the custodial crew for keeping an old building up and running. I'm most appreciative of the administrative assistants and their skills in keeping everything running smoothly. I'm also appreciative of all the support given to us at G.M.S. by the SAU staff.

Finally, I thank you, Dr. Cutler, for all the support, help and guidance you've provided me over the past three years. I'm happy for you that you will be retiring at the end of this school year, but I will certainly miss you. Over the years I've worked for several superintendents and all were very competent and at times they inspired me. You did this always for me. Over the past three years I've taken on more responsibilities and really grown as a Principal through your guidance, experience and support.

Sincerely,

Martin Schlichter
Principal

Griffin Memorial School Staff 2009 - 2010

<u>Last Name</u>	<u>First Name</u>	<u>Position</u>	<u>Grade</u>	<u>Salary</u>
ALARIO	SUSAN T	TEACHER GRADE 2	M	\$38,327.00
ALLEN	TRACY S	TEACHER GRADE 1	B	\$49,046.00
ASHE	AMY J	TEACHER GRADE 4	M	\$53,113.00
BENOIT	SUSAN L	TEACHER GRADE 2	B	\$50,947.00
BLACKADAR	RITA G	TEACHER SPECIAL EDUCATION	B	\$60,066.00
COHEN	JULIE L	TEACHER GRADE 4	B	\$38,928.00
CONWAY	CARRIE B	OCCUPATIONAL THERAPIST	B	\$44,317.00
COTE	DORIS A	TEACHER GRADE 2	M	\$63,622.00
COTE	JULIE T	LIBRARIAN JOB SHARED	B	\$26,044.56
CULLEN KENT	PAULA M	TEACHER GRADE 4	B	\$57,955.00
DEPLOYEY	SAMANTHA R	TEACHER PRESCHOOL-KINDER	B	\$44,749.00
DOUCETTE	SANDRA L	TEACHER GRADE 1	M	\$62,184.00
ELEY	ALLISON	TEACHER SPECIAL EDUCATION	B	\$50,046.00
FARO	CONSTANCE	READING SPECIALIST	CAGS	\$65,060.00
HAARLANDER	JESSE S	TEACHER PHYSICAL ED	B	\$33,290.00
HALE MILLER	HEIDI E	TEACHER ART	M	\$62,184.00
HOGAN	KRISTEN L	TEACHER GRADE 3	B	\$40,430.00
JOHNSON BARRY	BONNIE K	TEACHER SPECIAL EDUCATION	M	\$19,163.50
JOHNSTONE	SANDRA J	TEACHER GRADE 1	B	\$47,942.00
LABELLE	BARBARA L	TEACHER MUSIC	M	\$62,184.00
LAPLANTE	ANGELA M	TEACHER GRADE 3	B	\$40,452.00
LEVESQUE	CAROL A	TEACHER GRADE 3	M	\$56,399.00
LLEWELLYN	SARAH J	TEACHER GRADE 3	B	\$41,841.00
MASHAKIAN	STACY	ASSISTANT PRINCIPAL	M	\$74,302.00
MCGOWAN	SUSAN F	TEACHER GRADE 2	M	\$64,060.00
MERRIFIELD	ALYSSA J	TEACHER GRADE 1	M	\$39,970.00
MICHALEWICZ	INGA M	TEACHER GRADE 2	M	\$59,684.00
MORIARTY	ERIN E	TEACHER GRADE 1	B	\$36,155.00
OSTLER	SUSAN E	TEACHER GRADE 4	M	\$38,327.00
PARENT	MARGARET	TEACHER GRADE 4	M	\$63,622.00
PAUL	STACEY E	TEACHER GRADE 4	B	\$48,131.00
PREVEL-TURMEL	MELINA	LIBRARIAN JOB SHARED	M	\$33,702.73
SAXTON	MARY LOUISE	TEACHER SPECIAL EDUCATION	M	\$62,184.00
SCHLICHTER	MARTIN	PRINCIPAL	M	\$93,609.00
SEABROOK	SUSAN G	NURSE	RN	\$51,278.89
SEIDEN	FERN R	GUIDANCE COUNSELOR	M	\$51,691.96
SHUPE	PENELOPE	TEACHER KINDERGARTEN	M	\$63,622.00
SIBONA	JESSICA	TEACHER GRADE 3	B	\$44,749.00
SMITH	LAUREN M	TEACHER GRADE 2	M	\$38,327.00
SWEETSER	TINA M	TEACHER KINDERGARTEN	B	\$39,020.00
TREMBLAY	LISA E	TEACHER GRADE 1	M	\$38,327.00
WOLFE	DIANE	TEACHER SPECIAL EDUCATION	M	\$61,184.00

Litchfield Middle School

19 McElwain Drive
Litchfield, New Hampshire 03052-2328

Thomas Lecklider
Principal

Telephone 424-2133 • Fax 424-1296

Kerry Finnegan
Assistant Principal

2009 PRINCIPAL'S ANNUAL REPORT

Dear Dr. Cutler:

As I reflect on the past year at Litchfield Middle School, I feel a great sense of fortune to work in the supportive school community Litchfield provides. I will highlight our accomplishments as a school as well as plans for next year. It is with great pride and enthusiasm that I submit this report to you. Our theme at LMS is "Do Your BEST". BEST stands for "Be Responsible", "Extend a Helping Hand", "Show Respect", and "Take Responsibility". Throughout the past year, our school has done a very nice job of exemplifying these four qualities.

One of the greatest accomplishments of the Litchfield Middle School in the past year is in the area of student achievement. Near the end of May, the State of New Hampshire released their list of schools which made Adequate Yearly Progress (AYP) for the previous year. Our school celebrated making Adequate Yearly Progress (AYP) in the areas of both Math and English this past year, a monumental achievement. As a result of this, we are no longer a school in need of improvement in the area of math. This achievement is the result of the hard work and dedication of our staff, students, and community. Our math department continues to enjoy the materials that coincide with the new series of resources we received to use starting in fall 2008. Additionally, Teresa Planty, our math tutor, has worked extensively with many students.

Student performance continues to be solid with many students achieving academic honors and commendations for their efforts. Our NECAP (New England Common Assessment Program) scores rose above the State average in several areas. In addition to the NECAP, our students take the Northwest Evaluation Association Assessment again this year. This is an online standardized test in Math, Language Usage, and Reading. The results of this test are reported instantly, allowing teachers, students, and parents an opportunity to learn quickly about the student's level of achievement. Our students' performance on this test was above the national average in all areas.

We are now in year six of our Positive Behavior Interventions and Supports (PBIS) initiative. Each year of the program has seen an increasingly positive impact on the middle school. This year we approached the program from a slightly different angle. Using the BEST matrix, which all students are familiar with, we accentuated the positive qualities that PBIS focuses on then talked about the specific environments where these qualities might be displayed. The data we

have collected on this program has served as a reminder of the wonderful students we are so fortunate to work with at LMS.

The combined work of the Positive Behavior Interventions and Supports (PBIS) team and School Improvement Team resulted in a great plan for individualized student goal setting again this past year. Our student body was divided into small groups of ten to twelve students, BEST groups. These students worked on, amongst a number of other PBIS initiatives, goal setting as it related to the NECAP test. Each student met individually with their BEST group leader and set a personal goal for the test in both reading and math. In addition, our school set a goal for improvement on the test. Not only did this generate additional motivation from the students individually as they took the test, it fostered an energy and enthusiasm within the entire building. We anxiously await the latest NECAP results to be reported in late January 2010.

Goal setting is also an important part of the NWEA test process. Students are given target growth goals at the conclusion of each round of testing based on their achievement. It is our expectation that students will meet that goal in the next round of testing.

With the hard work of Curriculum Coordinator, Amanda Lecaroz, and our school improvement committee, we developed a plan, which was submitted to the Department of Education outlining strategies we will implement. These strategies will focus on reading instruction implemented by classroom teachers along with additional services offered by our reading specialists.

Our content reading program continues to reach all students in grades six through eight. Last year was the first in which all students in grades six through eight were involved in the content reading class. Additionally, we continue to put a significant emphasis on the Six Trait Writing model.

As of this year, all staff has been trained in this model for approaching writing instruction and assessment. As a result, students are producing more writing and assessing of writing than ever before. Students are learning to be critical analysts and assessors of their own writing.

After a close look at our data on student writing, we decided that it was important to introduce a formalized and consistent writing process to the middle school last year. After one year of implementation of this program, we have already seen vast improvements in student writing achievement on the NECAP.

Last spring, the LMS community was shocked by the death of longtime Technical Education teacher Don Lippincott. Don had a deep impact on the students with whom he worked over the course of his fourteen years in Litchfield. We remembered Don's life at a touching ceremony that took place at the New Hampshire State Veteran's Cemetery.

It was with heavy hearts that we learned, in November, of the death of one of our staff members, former athletic director, Jim Bliss. Jim was the athletic director at LMS for 22 years. We continue to fondly remember Jim and the mark he made on his students and the athletic programs at our middle school.

The grounds of LMS underwent an extreme makeover this past summer. Thanks to the incredibly hard work of Andrew Plantz and the Green Raider Team, the front of the building is now beautifully landscaped. Furthermore, areas on the south side of the building, along with the rear exit and the bike racks, were beautified and landscaped. Andrew Plantz, Red-Tailed Hawks science teacher, is the advisor of our Green Raider Club. This is an after school program focusing on recycling, beautification of the property, and general awareness of how we affect our environment. Last year, Andrew teamed up LMS with an organization which pays for our recycled paper. This has become a win-win for the middle school.

Late this past summer, Pete Lubelczyk, our former assistant principal, accepted a position as principal of Jewett Street School in Manchester. Mr. Lubelczyk worked in Litchfield for just under three years and had a profound impact on our middle school. Among his many accomplishments in Litchfield, most noteworthy were the peer mentoring program, volunteer program, master schedule re-structuring, and wellness initiatives. Pete will be missed, and we wish him the best of luck in his new position.

Joining our staff this fall, Karen Martin is our new technical education teacher. She has brought an enthusiasm and creativity to her classroom that students enjoy tremendously. Kelly Ardita joins our special education department as the eighth grade teacher on the Bobcat team. She comes to us with vast experience in the field of special education. Her enthusiasm and passion for working with students have made the transition very smooth. Gabe Falzarano, eighth grade science teacher, brings enthusiasm and coaching experience as our new athletic director. Gabe brings a wide skill set to his position. Additionally, we welcome Jennifer Murdock-Smith as a paraprofessional to LMS this year.

We had one assignment shift this year. Due to lower enrollments in our new fifth grade class, the teaching team was reduced by one. Fifth grade teacher Nancy Brucker moved from the Wildcat team to the Black Bears to teach seventh grade social studies. The change has been a wonderful experience for Nancy and her new team.

After an extensive search this past fall, it is with great pleasure we welcomed Kerry Finnegan as our new assistant principal. Kerry was a special education teacher on the Owls Team and brings a vast array of experiences from her work in Manchester and Bedford prior to joining us. She has already made a positive impact on our middle school.

We continue to take steps to build a stronger climate of collaboration. Last year we began the use of a web-based tool, Edline, to inform parents of student progress on a bi-weekly basis. Edline is a program whereby teachers post their grade books online, and parents and students can view their grades, homework, upcoming tests and project information and rubrics from their home computer. They will also use Edline to send group emails to parents. The parent reviews after the first year of the program have been very positive. Timely and routine school-to-parent communication via Edline will help us to better collaborate with our parents.

Our school web site continues to serve as our information lifeline between the school and the community it serves. All teachers have an updated homework page that parents can access daily. Black Bear teacher Jody Corbett serves as our webmaster.

This year, again, our middle school joined hundreds of schools and thousands of students on November 15 in the "Mix It Up Lunch" event. Lynne Ellis was instrumental in organizing and promoting this event. Students entered the cafeteria and were assigned groups to sit with for the duration of the lunch period. In these groups, students talked about their cliques that develop and how to accept others despite differences. Overall, this event was a learning experience for students and some worthwhile lessons were learned.

Last year, for the first time, our eighth grade students were involved in a program called Project Safeguard. This was an initiative that we teamed with Merrimack School District on to provide a day of workshops and presentations focusing on issues that concern adolescents and their families. Parents and students attended this event together, which was an overwhelming success. We look forward to building on this program.

Our athletic programs continue to find tremendous success. Our softball and baseball teams won Tri-County championships this year. Our boys and girls soccer and boys and girls basketball teams made a strong showing in playoff games. The Raiders cheerleading team placed third in their Class competition. Our girls cross country team placed first in the Tri-County meet and the boys place third. I would like to recognize the hard work and success of the coaches of all our sports teams at the middle school.

David Gilmore has continued to build an extensive intramural program, including such sports as flag football, floor hockey, and volleyball. In a short time, upwards of 100 students are involved. We look forward to further expanding these opportunities for our students.

The Club, the Boys/Girls Club after-school program, continues to offer a program that exposes students to enrichment opportunities. Enrollment in this program is showing steady growth. In fact, the fall 2008 session saw the highest numbers to date. Bill Roy, the director of the Litchfield Program, has a desire to make that connection to what students are learning in the classroom to what they are doing after school in "The Club".

Our Student Council had another year of excellent turnout. Amy Berube and Stephanie Hoelzel along with 60+ students have brought some new ideas to the Council this year. One of the ideas they are most excited about includes plans for a mural in the cafeteria centering on the "Do Your BEST" theme. The Student Council continues to host a quarterly "Class Acts" breakfast to honor students who consistently do the positive things that make LMS a better place.

Our music program, including band and chorus, found terrific success in their competitions in spring 2009. The band and chorus was awarded a gold plaque in the Great East competition. I would like to extend big congratulations to all students and directors.

With the ever important data collection and sorting element of the middle school, secretaries Leslie Pearce and Andrea Hamilton have played a critical role. Whether it is entering i4see

information, inputting for the NWEA test or assisting with Edline activation codes, these two individuals need to be recognized for their consistently excellent work at LMS.

The school-community volunteer program continues to flourish thanks to the extensive efforts of former Assistant Principal, Pete Lubelczyk. The work of our volunteers has expanded from outside of the technology education program and into a number of other classrooms and areas of the building. Thank you to all of you in the community who have given hours of your time to make LMS a better place.

Jack Williams and our custodial crew have worked tirelessly to keep the building and grounds in great shape. We did not have any significant capital improvements over the past year.

These accomplishments could not happen without the tremendous support of our staff and the many individuals and organizations in the community. I want to recognize the dedication of the staff at the middle school for always putting the students' needs first. It is because of your passion for educating the middle school student that our building is a place students feel a sense of belonging.

Finally, I would like to thank you, Dr. Cutler, along with your staff, Special Education Coordinator Ronda Gregg, Curriculum Director Amanda Lecaroz, and Business Administrator Steve Martin for the support and assistance you have offered me. I look forward to another year working together with you.

Respectfully submitted,

Thomas Lecklider
Principal

Litchfield Middle School Staff 2009 - 2010

<u>Last Name</u>	<u>First Name</u>	<u>Position</u>	<u>Grade</u>	<u>Salary</u>
ARDITA	KELLY A	TEACHER SPECIAL EDUCATION	M	\$49,827.00
BERUBE	AMY M	TEACHER GRADE 7 SCIENCE	B	\$44,749.00
BOWIE	KAREN R	TEACHER GRADE 5	M	\$51,470.00
BRUCKER	NANCY A	TEACHER GRADE 7	M	\$62,622.00
CARR	MAUREEN	NURSE	B/RN	\$55,413.51
CORBEIL	ROBIN L	TEACHER COMPUTERS	B	\$46,182.00
CORBETT	JODY L	TEACHER GRADE 7 ENGLISH	M	\$46,542.00
CUMMINGS	MARY E	GUIDANCE COUNSELOR	M	\$57,306.35
DODGE	JEAN C	TEACHER GRADE 7/8 MATH	B	\$56,955.00
DWYER	HEATHER A	TEACHER GRADE 6 ENGLISH	B	\$47,614.00
ELLIS	LYNNE M	GUIDANCE COUNSELOR	M	\$62,756.28
EVANS	JOSHUA	TEACHER SPECIAL EDUCATION (1/2 YR)	B	\$18,754.00
FALZARANO	GABRIEL A	TEACHER GRADE 8 SCIENCE	M	\$44,899.00
FINNEGAN	KERRY	ASSISTANT PRINCIPAL	CAGS	\$71,488.00
GARABEDIAN	KATHLEEN A	TEACHER ART	M	\$57,793.00
GILMORE	DAVID J	TEACHER PHYSICAL ED	B	\$34,723.00
GUERRETTE	JESSICA M	TEACHER GRADE 8 ENGLISH	M	\$54,756.00
HENRIQUEZ	JEANNE M	TEACHER SPECIAL EDUCATION	M	\$49,827.00
HOELZEL	STEPHANIE	TEACHER SPECIAL EDUCATION	B	\$44,749.00
HUSTON	MICHAELA M	TEACHER GRADE 8 MATH	M	\$49,827.00
IRVING	CHERYL H	TEACHER GRADE 6 MATH	B	\$55,843.00
LANGTON	DEBRA G	TEACHER GRADE 6 SCIENCE	B	\$53,343.00
LASOCKI	LISA A	TEACHER FACS	M	\$59,684.00
LECKLIDER	THOMAS	PRINCIPAL	M	\$89,205.00
LEES	KARLA C	TEACHER SPECIAL EDUCATION	M	\$56,129.00
LEFOLEY	KAREN	TEACHER GRADE 5	M	\$58,042.00
LETTE	CAROLYN J	TEACHER MUSIC	B	\$55,843.00
LOVE	HOLLY B	TEACHER GRADE 5	M	\$62,184.00
MARTIN	KAREN A	TEACHER TECH EDUCATION	B	\$51,911.00
MCCOLLEM	AUDRA J	TEACHER GRADE 6 ENGLISH	B	\$49,704.00
MCPHEE	CATHERINE	TEACHER GRADE 7/8 SOCIAL STUDIES	B	\$57,955.00
MEDEIROS	MARY ELLEN	TEACHER GRADE 6 ENGLISH	B	\$52,849.00
NOLAN	KIM E	TEACHER GRADE 8 ENGLISH	M	\$61,184.00
O'BLENIS	FAYE E	TEACHER GRADE 7 ENGLISH	M	\$47,381.00
PLANTZ	ANDREW M	TEACHER GRADE 7/8 SCIENCE	B	\$49,046.00
ROONEY	CHRISTINE D	TEACHER HEALTH	M	\$48,185.00
SIDILAU	KATHLEEN A	TEACHER GRADE 6 SOCIAL STUDIES	B	\$55,843.00
SIMONEAU	MARIA A	TEACHER SPANISH	B	\$53,343.00
SPEARMAN	YOLANDA M	TEACHER MUSIC	M	\$27,378.00
TARR	TERESA M	TEACHER GRADE 5	B	\$55,843.00
TATE	CHRISTINE L	READING SPECIALIST	M	\$56,129.00
THAYER	MARTHA T	TEACHER GRADE 7/8 ENGLISH	M	\$59,684.00
TURCO	DONNA B	READING SPECIALIST	M	\$76,654.00
WALLACE	YVONNE	LIBRARIAN	M	\$59,414.99
ZINGALES	ELIZABETH	TEACHER GRADE 5	M	\$62,184.00

Campbell High School



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Co-Athletic Director
jfichera@litchfieldsd.org

2009 PRINCIPAL'S ANNUAL REPORT

Dear Dr. Cutler:

I am pleased to present this report to the community on the happenings at Campbell High School.

We are in the midst of responding to the accreditation recommendations received from the New England Association of Schools and Colleges Commission on Public Secondary Schools. On October 1, we filed a "Two-Year Progress Report" documenting the work done in response to the twenty seven recommendations. Because of the support of the school board in providing staff the time needed to do the work, we accomplished and reported significant progress. Of the 27 Visiting Committee Report Recommendations, 13 (48%) are "completed" and 14 (52%) are "in progress." No recommendations were reported as "planned for the future," "rejected," or "no action."

The accreditation process is based on a ten year cycle. In our case, the cycle started in 2007, the year the NEASC Visiting Team came to inspect us. By the time we file the "Five Year Progress Report" in October 2012, we will be expected to have completed all of their recommendations. Following that, we will start all over again, initiating the ground work for the next self study in anticipation of the re-accreditation visit in 2017. It never stops!

Campbell High School students continue to garner special recognition in the school's three A's of Academics, Arts, and Athletics.

Lucas Dube participated in the National Young Leaders Conference, which recognizes academically strong students who excel in community leadership. This provided him with hands-on experiential opportunities that will help prepare him for a lifetime of leadership.

Nominees for the Francis Wayland Parker Scholarship included Steve Bryant, Ryan Donaghey, Cassie Baron, Catherine Ferraro, Ashley Gannon, Molly Delano, Lucas Dube and Amanda Doucette. Sophomore student, Matt Rafferty, was the 2009 CHS representative to the Hugh O'Brien Youth Leadership program. Shelby Bowen currently represents CHS as the New Hampshire Interscholastic Athletic Association Student Ambassador, and John Huston will be representing CHS as the 2010 Hugh O'Brien Leadership Seminar nominee.



NEW ENGLAND
ASSOCIATION
OF SCHOOLS
AND COLLEGES
ACCREDITED
MEMBER

Campbell High School's mission is to join together with parents, students, staff and community to become a collaboration of learners born of character, courage, respect and responsibility.

Under the leadership of teacher David Gingras, several students participated in Youth and Government at the Statehouse in Concord – Matt Falcone, Mike Clark (elected NH Student Governor), Alex Prolman, Matt Tremblay, Kyle Tremblay, Andrew Cialek, Stephen Bryant, Alyson Stapleton, Becky Weiss, Kevin Driscoll and John Cialek.

Students who earned all A's on their report card were honored at the All A's Celebration held in April. We posted the names of our top twenty scoring students from each NECAP and NWEA test on a data wall for all students to see.

This year is our second annual "Make A Difference Drive." The Campbell community was able to donate over 1,800 items to the Litchfield Food Pantry. All three schools competed to see which school brought in the most food. GMS won the competition with 2,765 food donations to the pantry. It was a very successful event and we were able to stock all the shelves of the pantry. We would like to thank the Student Councils, student body and staffs from GMS, LMS and CHS for truly Making A Difference in our Litchfield community!

Campbell participated in the 275th celebration of the Town of Litchfield. Teacher Chuck Mower helped put our float together and teacher Denise Freeman's art students did a puppet show on the history of Litchfield. Puppeteers included Tim Beauregard, Alyssa Bean, Cassie Baron, Andrew Matte, Shannon Savard, Jeffrey Croteau, Katherine Childs and Adele Beauregard. Several CHS students impersonated famous figures from Litchfield's past. Actors were Andrew Matte, Alyssa Bean, Logan Higgins, Cassie Baron, Hannah Wester, Katherine Childs and J. McQuesten.

Our commitment to the visual and performing arts continues to afford our students opportunities to be successful on many levels.

In the 2009 Scholastic Art Awards of New Hampshire competition, Campbell artists did extremely well. There were three gold key winners, four silver key winners, and seven honorable mentions. Teachers Denise Freeman and Paula Barry assisted the students. In the 2010 competition, we have twenty two individual submissions and one portfolio, as well as two NH Art All-State nominees.

Our music department continues to provide wonderful experiences. In April, fifty band and choral students toured Germany, Austria and Italy in an educational and performance trip of a lifetime. Led by teachers Jill Deleault and Phil Martin, and accompanied by fifteen community chaperones, students performed at two different schools in Unterschleissheim and Munich, Germany. Through a partnership with the school district and the Friends of Music, the department acquired three acoustical shells which will enhance the sound quality for audiences at future concerts. For the first time our winter concert was performed in December, and we debuted a new performing group - the CHS Jazz Band.

Our interscholastic athletic program continued to thrive with several athletic teams and individual athletes receiving accolades.

Perhaps most notable, CHS was presented the "Award of Excellence" by the NHIAA for exemplary display of Sportsmanship, Ethics and Integrity. Campbell also received recognition for Sportsmanship in Golf, Outdoor Track, Baseball and Softball. In addition, Girls Basketball was Class M Runner Up for the second consecutive year. Likewise, Baseball and Softball were Class M Runner Up. This fall, our Fall Spirit team was crowned Class M/S Champion and the Girls Soccer team earned Runner Up honors in Class M Soccer.

Andrew Cialek was named Class M State Champion in the 300 meter hurdles.



NEW ENGLAND
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AND COLLEGES
ACCREDITED
MEMBER

Campbell High School's mission is to join together with parents, students, staff and community to become a collaboration of learners born of character, courage, respect and responsibility.

The following student-athletes were recognized as Senior Scholar Athletes by the NHIAA and NHADA: Stephen Bryant, Andrew Cialek, Bailey Comyns, Kevin Doxey, Jennifer Evans, Catherine Ferraro, Phillip Houston, John Howley, Alison Lajoie, Kayla Ostergard, Gregory Sherwin, Kyle Tremblay and Matt Tremblay.

Campbell High School was presented with a Certificate of Participation for their participation in the “Intergenerational Wellness 5K Walk” held on May 20, 2009, sponsored by New Hampshire Governor’s Council on Physical Activity and Health.

We are proud to mention recognition garnered by our faculty and staff. “Red Apple” awards went to Jeff Parsons, Janet Belhumeur, Jackie Hoey, Andrea Ange, Kathleen Reilly, Pat Roye, Sue Ayer, Chuck Mower and Linda Frost. Pat Kaplo was named the CHS Teacher of the Year. Teacher Liana Wilbur was nominated for the NH Teachers of Mathematics Provost Award. Teacher Dennis Perreault participated as a mentor teacher in the Civil War Institute at the Gettysburg College Teacher Scholarship Program in June. He was also named the Class M JV Girls’ Soccer Coach of the Year. Art teacher Denise Freeman was named New Hampshire Outstanding Art Educator of the Year. Assistant Principal Laurie Rothhaus was named the Administrator of the Year for NH Student Councils. The NH Department of Education named Justin Ballou a 2010 NH Teacher of the Year Finalist. Principal Manseau was named as a finalist for the 2010 Principal of the Year by the NH Association of School Principals. Teacher Pat Kaplo was named the New Hampshire Milken Family Foundation National Educator.

Collaboration is alive and well at CHS. Pat Kaplo’s third “Siege (Trebuchet) Day” was a great event to demonstrate the extent of collaboration at Campbell. Using the wonderful “castle” built by teacher Chuck Mower and his students last year, physics students bombarded (or attempted to bombard) the castle with their “projectiles” (water balloons). Teacher Justin Ballou and student teacher Matt Hunter’s World Studies students tied in some work on medieval studies by wearing period costumes. Mr. Kaplo did some team teaching with teacher Diane Angelini’s math class in which they explored the origins (derivations) of the kinematics equations (quadratics, polynomials, algebra, etc.) and applications of trigonometry (use of vectors in physics). They did some experiments together in the math class and then her math class took measurements on Trebuchet Day and calculated maximum height of trajectory as well as launch angle and speed (derived from horizontal distance and time measurements). Mr. Kaplo’s next big project is establishing our initial robotics team. Thanks to grant funding and private donations, Campbell will participate in the FIRST Robotics competition to be held in 2010.

Student achievement remains job number one. We have identified a number of indicators of success. State test NECAP scores in combined proficient and proficient with distinction categories rose 5% in reading, 8% in math, 4% in writing and 6% in science. The NECAP science scores exceeded the state average. We want to see similar success in the other portions of the NECAP. Scholastic Aptitude Test (SAT) scores continue to be below the state and national average. We hope to make improvements in this indicator. The failure rate was reduced 3.5% overall, and even more encouraging, the freshman English failure rate was cut in half. In order to support the school district’s primary goal of increasing achievement for **all** students, CHS is piloting standards based grading practices that will improve achievement for more students. Looking at other indicators, the graduation rate for the Class of 2009 was 98.4% and the percentage of students accepted to four and two-year colleges was 81%. Of that 81%, 32% went on to four year in-state colleges, 30% went to out-of-state colleges, and 19% went on to two year colleges. Our goal is to see even more students go on to college.

Our New Hampshire Scholars initiative continues to expand. The program seeks to encourage all students to take a rigorous core curriculum over the four years spent in high school, and brings business leaders into the school to encourage students to acquire the skills and knowledge that will help them in college and careers. Students who complete the program graduate with a New Hampshire Scholars designation on their diploma and



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transcript and are eligible to apply for related financial assistance for college. In June, Campbell graduated 17 state scholars in the class of 2009 (up from 13 the previous year) and there are some 54 CHS students (up from 25 the previous year) currently in the program. We are pleased to see the numbers increase. Campbell High School would like to send out a special Thank You to all the local business leaders who have provided support, ongoing activities and incentives for our students: Fred C. Insurance, UNH Cooperative Extension, Harvey Construction, Fair Point Communications, BAE Systems, IEEE Institute of Electrical and Electronic Engineers, New Hampshire Scholars director Scott Powers and team UNH at Manchester, NH Business Magazine, New England Small Tube Corporation and Focal Point Counseling. Teacher Lesleigh Buchanan is to be commended for her work with this program.

The school has worked to provide the means for struggling students to succeed. Under the leadership of Assistant Principal, Laurie Rothhaus, the Child Assistance Team (CHAT) continued to help meet the needs of students. This team brings together the expertise of various staff members to create success plans for students. We have students taking additional courses in Londonderry and Nashua adult education night schools. Led by teacher Bill Hicks, the Student Support Center made an impact in the lives of many students who struggle to maintain consistent effort in their studies. Most students have improved due to daily tutoring and on-going counseling. We have seen improvements in the dropout rate, attendance rate and the number of discipline referrals with students in the SSC. An added feature to the program is the involvement of parents in their son/daughter's education. This fall, Mr. Hicks started a parent group that helps parents better understand their adolescent. This has proven to be very successful, with fourteen parents attending. These parents were involved in a three week workshop in October and November and are willing to continue for another session later this school year. In addition to working with SSC students, Mr. Hicks also trained several other students to be peer mediators and others to be tutors at the elementary and middle schools.

A number of grant-funded programs were brought to Campbell for the benefit of the student body. Challenge Day brought students and faculty together to promote positive change. "Be the Change" was the message. A "Mock Accident" was held to portray a DUI accident to demonstrate what one poor decision, to drink and drive, can cost in loss of life, injury, emotional pain, and criminal charges. This was a collaborative effort between the police and fire departments, Warren's Auto, First Student bus company, and the school district. Two motivational speakers addressed students. Ed Gerety, a nationally acclaimed speaker, addressed students about leadership and decision making. Randy Judkins, a juggler, presented a program on how to balance life's curve balls and the importance of goal setting. Project Safeguard is a family based prevention program. Our LMS 8th grade students attended the program at St. Anselm's College in May. Speakers included several from CHS - SADD students, school nurse Jackie Hoey, SRO Mike Corl, PE teacher Shannon Szezan and school social worker Elin Pelland. An assembly program held in December entitled "Rachel's Challenge" challenged everyone in the Campbell community to practice acts of kindness.

Campbell High School faculty and administration continue to evaluate our curriculum and course offerings. A new course, the Economics of Recycling, was added this year and the teacher, Mr. Perreault, promptly implemented a student awareness program entitled "Carbon Footprint Week." During a recent visit to Campbell High School, Commissioner Barry of the New Hampshire Department of Education reviewed the efforts of the CHS recycling program. Impressed by what she saw, Commissioner Barry decided to incorporate a short statement about, and a picture of the students in, the recycling program on the Department of Education's website. The "Twelve Days of Lincoln Celebration" was held in February, further enhancing our social studies curriculum. The science department celebrated the 150th anniversary of the publication of "On The Origin Of Species, By Means of Natural Selection" by Charles Darwin. Under the leadership of teacher Chet Orban, most academic areas got involved. Also celebrated was astronomer Johannes Kepler, who published the book "Astronomia Nova"(The New Astronomy) in 1609, 400 years ago.



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CHS introduced students to the Virtual Learning Academy Charter School. VLACS is now the largest high school in New Hampshire and offers tuition free, online courses. There are nearly 30 CHS students currently enrolled in VLACS courses. Courses run the gamut from SAT Prep to Macroeconomics.

Under the leadership of SAU Director of Curriculum and Instruction, Amanda Lecaroz, Campbell has continued to create and use formative assessments in many courses in order to better understand the needs of students. We have also continued the streamlining of our math program, instituting both Integrated Algebra and Integrated Geometry courses. We plan to do the same next year with an Integrated Algebra II course. These courses capture the strengths of both integrated and traditional math courses. We also added Pre Algebra to help our students who struggle with math. Ms. Lecaroz also coordinated the six late arrival days for staff training on differentiated instruction and formative assessment to address accreditation recommendations.

I am indebted to the work of our curriculum facilitators, Irene Martin, Meredith Potter, Linda Frost, and Heidi Harmon, as well as our librarian/media specialist Andrea Ange, for their hard work in curriculum documentation. They have nearly finished the task of updating curriculum guides posted on our school website. This effort brings greater transparency to our curriculum and enables community members to gain greater familiarity with what is taught at CHS.

The CHS library media center opened a writing center. The purpose of the writing center is to provide support for students who are struggling with their writing assignments. Students are given handouts on proper MLA format and use assessment tools provided by the Language Arts department to read and edit submissions. National Honor Society students staff the center. These peer reviews are meant to deepen the student's own thought process by providing constructive feedback prior to a student submitting work for a grade. Our librarian, Andrea Ange, was recently awarded a \$10,000 grant for technology. The grant will fund the purchase of 25 netbook computers for use in the writing center.

We received great help for our storage needs by acquiring a storage building from the Town of Hudson. The portable building allowed us to do away with our storage pods. Kudos go to Matt Bennett and our custodial staff for their help in getting this building. Unfortunately, we had to close the track this fall, due to safety concerns with the track surface. We hope to resolve this situation as soon as possible.

Community Education Classes continued to run in the evenings at Campbell and are open to all Litchfield residents. Fall, winter and spring sessions were held.

Along with the rest of the school district, we continue to use the Alert Now system to communicate with our families via both email and voice mail messages. Our school web site (www.campbellhs.org) continues to serve the community as a ready source of information, thanks to webmaster Pat Kaplo.

Under the leadership of teacher Linda Frost, the CHS Safety Committee continued to develop and review the school's emergency plans. We are indebted to the Litchfield fire and police departments for their continuing cooperation and assistance in helping to ensure a safe and productive learning environment. We also thank area police departments for their assistance in the safety search using canines and their handlers this past fall.

I continue to have great optimism for the future of CHS. While there is so much to be proud of already at Campbell, there is much room for improvement. We are seeking high achievement for **all** students, by building a stronger climate of collaboration between all constituencies and focusing our attention ever more closely on achievement results



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In closing, I want to thank our administrative assistants, Cheri Pitrone, Christine Ferraro, Melissa Pelletier, Sharon Ford, Dale Arria and Lillian Hamel, as well as our custodians and food service staff for their continuous hard work and dedication. I'd also like to thank the Friends of Music, Athletic Boosters, volunteers Jean White, Cindy Hansberry, Diane Marinkov, Tom Marinkov and Steve Pitcher, and parents who have attended the parent forums, for their interest and support.

Finally, I would like to thank Dr. Elaine Cutler, and the SAU staff, for their continuing efforts to support our mission. It has been an honor to serve under Dr. Cutler.

Respectfully submitted,

Robert C. Manseau
Principal



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Campbell High School Staff 2009 - 2010

<u>Last Name</u>	<u>First Name</u>	<u>Postion</u>	<u>Grade</u>	<u>Salary</u>
ANGE	ANDREA M	LIBRARIAN	M	\$61,145.85
ANGELINI	DIANE B	TEACHER HS MATH	B	\$40,452.00
BALLOU	JUSTIN H	TEACHER HS SOCIAL STUDIES	B	\$37,587.00
BARRY	PAULA J	TEACHER TECH EDUCATION	B	\$34,723.00
BASKERVILLE	SHAWN R	TEACHER SPECIAL EDUCATION	B	\$43,435.00
BROWN	ERIN E	TEACHER HS ENGLISH	M	\$46,542.00
BUCHANAN	LESLEIGH S	TRANSITIONAL SPECIALIST	M	\$56,399.00
BURNS	AIMEE L	TEACHER HS ENGLISH	B	\$46,182.00
CASSILY	SHALEEN A	TEACHER HS ENGLISH	M	\$49,827.00
COBURN	EMILY	READING SPECIALIST	M	\$27,232.00
COOPER	NATHAN A	TEACHER HS SOCIAL STUDIES	B	\$33,290.00
DELEAULT	JILL E	TEACHER MUSIC	M	\$44,899.00
DEMONT	LESLIE	TEACHER FRENCH	B	\$39,020.00
DUNN	LISA A	TEACHER HS SOCIAL STUDIES	M	\$36,684.00
FICHERA	JOHN	DIR OF HS ATHLETICS 35%	B	\$26,424.50
FICHERA	JOHN	TEACHER PHYSICAL ED	B	\$26,424.50
FLYNN	SHAWN P	TEACHER HS MATH	B	\$51,911.00
FREEMAN	DENISE M	TEACHER ART	M	\$60,873.00
FROST	LINDA	TEACHER HS SCIENCE	B	\$57,566.00
GATHERUM	LAURIE A	TEACHER BUSINESS	B	\$39,020.00
GINGRAS	DAVID W	TEACHER HS SOCIAL STUDIES	M	\$41,613.00
GNAEGY	LYNN	TEACHER FACS	M	\$56,399.00
GORMAN	CATHERINE A	TEACHER HS MATH	M	\$59,684.00
HALBROOKS	CHRISTINA	TEACHER HS ENGLISH	B	\$36,155.00
HARDMAN	PATRICIA L	TEACHER HS MATH	M	\$59,684.00
HICKS	WILLIAM R	STUDENT SUPPORT COUNSELOR	M	\$62,560.00
HOEY	JACQUELYN	NURSE	RN	\$50,022.16
KAPLO	PATRICK J	TEACHER HS SCIENCE	M	\$54,464.00
KEEFE	PATRICK M	TEACHER HS ENGLISH	M	\$48,185.00
KIESTLINGER	DANIEL	DIR OF HS ATHLETICS 65%	B	\$46,155.64
MALONEY	ROBIN E	TEACHER HS SCIENCE	M	\$42,811.00
MANSEAU	ROBERT	PRINCIPAL	M	\$103,050.00
MARTIN	IRENE B	TEACHER HS MATH	M	\$51,134.00
MARTIN	PHILIP K	TEACHER MUSIC	M	\$62,184.00
MCDONOUGH	SHAWN P	TEACHER COMPUTERS	M	\$63,622.00
MOWER	CHARLES H	TEACHER TECH EDUCATION	TECH	\$18,710.22
NIEUWEBOER	MARILYN S	GUIDANCE COUNSELOR	M	\$44,899.00
O'KEEFE	MICHAEL D	TEACHER HS SCIENCE	M	\$48,185.00
ORBAN	CHESTER J	TEACHER HS SCIENCE	M	\$62,560.00
PARIS	HEIDI L	TEACHER HS SOCIAL STUDIES	B	\$36,155.00
PARKER	DAWN	TEACHER SPECIAL EDUCATION	B	\$39,020.00
PARSONS	JEFFREY W	GUIDANCE COUNSELOR	M	\$64,375.66
PERREAULT	DENNIS N	TEACHER HS SOCIAL STUDIES	M	\$57,500.00
PETRY	LISA	GUIDANCE DIRECTOR	M	\$65,000.00
POTTER	MEREDITH R	TEACHER HS ENGLISH	M	\$52,441.00
PREUCEL	JOANNA L	TEACHER SPECIAL EDUCATION	M	\$43,256.00
ROMEIN	KIRK A	TEACHER ART	B	\$43,317.00
ROTHHAUS	LAURIE	ASSISTANT PRINCIPAL	M	\$80,111.00
ROYE	PATRICK S	TEACHER SPECIAL EDUCATION	B	\$59,066.00
SAWICKI	MARGARET M	TEACHER SPECIAL EDUCATION	B	\$43,317.00
SCHRATWIESER	JEANNE M	TEACHER HS SCIENCE	M	\$47,381.00
SZEPAN	SHANNON B	TEACHER PHYSICAL ED	B	\$48,131.00
TARDIF	RAE E	TEACHER SPANISH	M	\$54,756.00
WILBUR	LIANA R	TEACHER HS MATH	B	\$33,290.00

Campbell High School Graduation Class of 2009

Timothy M. Albini
 Dean Michael Andrews
 Shawna M. Anger-Balcom
 Allyson Grace Arria
 Allison M. Ayotte
 Christopher N. Bard
 Christina Emily Belisle^!
 Tyler James Bonin
 Chantel Alexandra Branco^
 Joseph A. Britton
 Stephen Bryant^*!
 Joann Lee Carter
 Chantelle Angelica Castonguay
 Matthew David Celata
 Georges H. Chouinard
 Ryan Matthew Christopher
 Andrew J. Cialek^*+
 Ashley Clark*
 Michael Joseph Clark*+!
 Kimberly Ann Clement^
 Bailey Mary Comyns^*
 Abigail Mae Connor*!
 Jesse S. Cooper
 Maxwell James Cooper
 John F. Coughlin, IV
 Sean M. Curran*
 Eric T. Cushing, Jr.
 Kevin Joseph Cushman
 Christopher Edward Delisle
 Lauren Elizabeth Delude
 Amanda L. DiSciscio
 Kevin Andrew Doxey^*
 Melissa Lee Drouin
 Hope Rose Dube
 Jennifer Leigh Evans*
 Matthew Anthony Falcone, Jr.^
 Catherine Mary Ferraro^*!
 Emily Jeanette Floyd
 Robert A. Forrence
 Chelsea A. Galvin

Corey P. Gannon
 Nicholas John Geist*+
 Ian Douglas Gibson
 Matthew G. Goczalk^
 Christopher Michael Godzik
 Derek Westley Gotham
 Katherine Ann Gottsche
 Alexander Guilbeault^
 Rose Marie Harvey^*!
 Kaitlin E. Hemmerle
 Kirstyn J. Hemmerle
 Joshua Michael Horman
 Gregory William Houlne
 Phillip William Houston^*!
 John Joseph Howley, III+
 Brian Allen Irving
 Joshua T. Jennings
 Matthew Ryan Kelly
 Morgaina Raye Kurth
 Thomas Matthew Kurth
 Zachary J. Laganiere
 Alison Kathleen Lajoie^*+!
 Kara Lynn Lavigne
 Danielle M. LeBlanc
 Alex M. LeBoeuf
 Katherine Elaine Leith
 Amy Elizabeth Locke
 Karena M. Lozeau
 Diana Kathryn MacArthur
 Lindsey Rose MacQueen
 Lauren Kristi Makarawicz
 Hannah J. Matte*
 Charles H. Mavrogeorge, Jr.
 Mark Travis McCartney, Jr.
 Lindsay Rae McKearin
 Brooke Julia McNeill
 Denton McQuesten
 Jessica Lynne McQuesten
 Tyler Stephen Merrill

Courtney A. Michaud
 Dennis John Mulrooney
 Kenneth W. Munsell
 Andrea Lauren Natsios
 Brian Patrick Oberti^
 Kayla Ostergard
 Shayla Renee Pease*
 Matthew R. Pelletier
 Michael John Pesce
 James David Poitras, Jr.
 Amie Suzanne Pouliot*
 Alexander H. Prolman
 Daniel Patrick Raccio
 Tricia Marie Richardson
 Michael James Rochford
 Emily Maureen Schaffer^*!
 Nicholas Christopher Schibly
 Ashley Kristin Schultz
 Lauren Shepard
 Gregory Edward Sherwin*
 Ashley Marie Simons
 Kaitlyn Slawinski
 Gregory Daniel Smith
 Heather Jean Smith
 Samantha Danielle Snodgrass
 Desiree Monique St. Pierre
 Aaron Bayley Stapleton
 Meghan Eileen Sweeney
 Daniel Paul Taschereau
 Elizabeth E. Thayer
 Eric D. Tiernan
 Michael Edward Torgersen^
 Kyle Paul Tremblay*!
 Matthew C. Tremblay*+!
 Daphne M. Valentino
 Gordon Michael Wade+
 Arrionna Yvonne Wagoner
 Michael Allen Wallman
 Karleen M. Wilkins

Valedictorian – Michael Joseph Clark

Salutatorian – Alison Kathleen Lajoie

^ New Hampshire Scholars

*National Honor Society

+Student Council

!Top Ten

2009 – 2010 LITCHFIELD SCHOOL DISTRICT CALENDAR

17 - 18 Administrative Retreat
20 New Teacher Workshop
24 - 27 Teacher Workshop
31 1st Day of School

1 Day

AUGUST 2009				
M	T	W	Th	F
3	4	5	6	7
10	11	12	13	14
17	18	19	20	21
24	25	26	27	28
31				

FEBRUARY 2010				
M	T	W	Th	F
1	2	3	4	5
8	9	10	11	12
15	16	17	18	19
22	23	24	25	26

22 - 26 Winter Recess - NS

15 Days

4 Friday Before Labor Day - NS
7 Labor Day - NS
16 Delayed Opening only for CHS Students - 9:35 am

20 Days

SEPTEMBER 2009				
M	T	W	Th	F
	1	2	3	4
7	8	9	10	11
14	15	16	17	18
21	22	23	24	25
28	29	30		

MARCH 2010				
M	T	W	Th	F
1	2	3	4	5
8	9	10	11	12
15	16	17	18	19
22	23	24	25	26
29	30	31		

17 Delayed Opening only for CHS Students - 9:35 am
24 Teacher Workshop - NS

22 Days

12 Columbus Day - NS
21 Delayed Opening only for CHS Students - 9:35 am

21 Days

OCTOBER 2009				
M	T	W	Th	F
			1	2
5	6	7	8	9
12	13	14	15	16
19	20	21	22	23
26	27	28	29	30

APRIL 2010				
M	T	W	Th	F
			1	2
5	6	7	8	9
12	13	14	15	16
19	20	21	22	23
26	27	28	29	30

14 Delayed Opening only for CHS Students - 9:35 am
4/26 - 4/30 Spring Recess - NS

17 Days

11 Veterans Day - NS
18 Parent/Teacher Conf. - NS
25-27 Thanksgiving Recess - NS

16 Days

NOVEMBER 2009				
M	T	W	Th	F
2	3	4	5	6
9	10	11	12	13
16	17	18	19	20
23	24	25	26	27
30				

MAY 2010				
M	T	W	Th	F
3	4	5	6	7
10	11	12	13	14
17	18	19	20	21
24	25	26	27	28
31				

31 Memorial Day - NS (Observed)

20 Days

2 Delayed Opening only for CHS Students - 9:35 am
12/24 - 1/1 Holiday Recess - NS

17 Days

DECEMBER 2009				
M	T	W	Th	F
	1	2	3	4
7	8	9	10	11
14	15	16	17	18
21	22	23	24	25
28	29	30	31	

JUNE 2010				
M	T	W	Th	F
	1	2	3	4
7	8	9	10	11
14	15	16	17	18
21	22	23	24	25
28	29	30		

16 Last Day of School For Students (Tentative)
17 Teacher Workshop - NS
21 Last Day if 3 snow days Occur
TBA Graduation

12 Days

1 New Year's Day - NS
13 Delayed Opening only for CHS Students - 9:35 am
18 Martin Luther King, Jr. Day - NS

19 Days

JANUARY 2010				
M	T	W	Th	F
				1
4	5	6	7	8
11	12	13	14	15
18	19	20	21	22
25	26	27	28	29

NOTES:

Shaded Days and NS = No School

☐ = Delayed Opening only for CHS students - 9:35 am

Snow days will be made up at end of school year (June)

SEPT thru JAN - 94 DAYS FEB thru JUNE - 86 DAYS
180 Total Student School Days - 190 School, Snow & TW Days

Please Mark Your Calendar:

Tentative Date Deliberative Session February 6, 2010 - 2 pm
Voting Day March 9, 2010

LITCHFIELD SCHOOL DISTRICT

ENROLLMENT - PROJECTIONS ELEMENTARY

Grade	Enrolled October 1, 2008	Enrolled October 1, 2009	Projected September 2010
Pre	38	21	22
Kindergarten	0	60	80
1	109	107	102
2	103	102	103
3	126	109	103
4	101	130	111
Total	477	529	521

ENROLLMENT - PROJECTIONS MIDDLE SCHOOL

Grade	Enrolled October 1, 2008	Enrolled October 1, 2009	Projected September 2010
5	146	103	132
6	137	152	106
7	135	133	149
8	144	130	133
Total	562	518	520

ENROLLMENT - PROJECTIONS HIGH SCHOOL

Grade	Enrolled October 1, 2008	Enrolled October 1, 2009	Projected September 2010
9	150	150	139
10	146	134	134
11	130	142	125
12	130	124	142
Total	556	550	540

Combined Totals	1595	1597	1581
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**LITCHFIELD SCHOOL DISTRICT
DELIBERATIVE SESSION
January 31, 2009
The State of New Hampshire**

Time, Place: The meeting was called to order at 2:00 p.m. in the Campbell High School Auditorium.

Present: Moderator, Mr. John G. Regan, presiding.

School Board members: Mr. Dennis Miller, Chair (School Board Representative to the Budget Committee); Mrs. Cynthia Couture, Vice Chair; Mrs. Dot Beauregard; Mr. Ralph Boehm; and Mrs. Pat Jewett (Board Member and Selectwoman).

Dr. Elaine Cutler, Superintendent of Schools; Mr. Stephen Martin, Business Administrator; Dr. Ronda Gregg, Director of Special Services; Amanda Lecaroz, Director of Curriculum & Instruction; Deb Mahoney, Director of Human Resources; Bruce Ballou, Director of Technology; Michele E. Flynn, School Board Secretary; Ms. Lynn Baddeley, School District Clerk; Gordon Graham and Maureen Pomeroy, Attorneys for the District.

Mr. Robert Manseau, Campbell High School Principal; Mr. Tom Lecklider Litchfield Middle School Principal; Mr. Martin ("Bo") Schlichter, Griffin Memorial School Principal.

Budget Committee members: Mr. Brent Lemire, Chairman; Mr. John Harte, Vice Chair; Mr. Paul Parker; Mr. Mike Falzone, Mr. Brian McCue; Mr. Ray Peeples, Mr. George Lambert, (Selectmen's Representative).

Ballot clerks: Ms. Bertha Mieczkowski, Mrs. Trisha Regan.

Mr. Regan invited members to join him in the Pledge of Allegiance.

Mr. Regan introduced Mr. Phil Reed, Vice Moderator, and reviewed the Moderator's rules and protocol for the Deliberative Session according to state law.

Mr. Regan introduced Mr. Dennis Miller, School Board Chair. Mr. Miller introduced School Board members, SAU staff, and attorneys.

Mr. Regan introduced Mr. Brent Lemire, Chairman of the Budget Committee. Mr. Lemire introduced Budget Committee members.

Note: The order of business of the Deliberative Session is sometimes conducted out of the warrant articles' numeric sequence. Recording activity in chronological order would make the minutes difficult to follow; therefore, the articles will be listed, with action taken thereon, in the order in which they were listed on the warrant.

Mr. Regan read Article 1 and indicated that Mr. Miller would speak to the article.

12

ARTICLE 1

Shall the Litchfield School District vote to raise and appropriate as an operating budget, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth on the budget posted with the warrant or as amended by the vote at the first session of the annual school district meeting, for the purposes set forth herein, totaling Twenty Million, Seven Hundred Twenty-Seven Thousand, Six Hundred Thirty-Six dollars (\$20,727,636)? Should the article be defeated, the default budget shall be Twenty Million, Eight Hundred Forty-Nine Thousand, Six Hundred Seventy-Eight dollars (\$20,849,678), which is the same as last year, with certain adjustments required by previous action of the Litchfield School District or by law; or the School Board may hold one special meeting, in accordance with RSA 40:13 X and XVI, to take up the issue of a revised operating budget only.

Mr. Miller gave an overview of the budget process. The Administrative Team makes initial recommended reductions with prioritization. The SAU then prioritizes their requests and makes second level adjustments to the budget. The School Board made final adjustments and approved the proposed budget for Budget Committee consideration. The Budget Committee is responsible for recommending the budget amount to be placed on the warrant. Mr. Miller indicated that many people worked to bring this budget forward. He also explained that the Default Budget is created for the School Board and approved by the Board. The Budget Committee is not involved in the Default process.

Mr. Miller deferred to Mr. Martin to speak to the budget. Mr. Martin explained that Dr. Cutler instructed administrators to submit a level-funded budget. Article 1 represents the total District operating budget for the 2009-2010 fiscal year and that it includes general fund, food service, and grant fund budgets.

Mr. Martin explained that he would present a budget summary, the School Board proposed operating budget with major factors impacting district needs, the Budget Committee's recommended budget, the Budget Committee's reductions, estimated revenues and appropriations, and tax rate impact. He added that all presentations and budget handout are available on the District website at www.litchfieldsd.org.

The School Board's proposed total operating budget of \$20,802,147 reflected an increase of \$797,416, or 4.2% over last year. The Budget Committee recommended a total budget of \$20,727,636 reflecting a \$74,511 difference, an increase of 3.8% over last year's total operating budget. The total proposed FY10 budget, \$21,228,990, **which is a total of the operating budget and warrant articles**, reflects an increase of \$1,259,069, or 6.3%, over the FY09 total budget. The proposed FY10 Default budget, \$20,849,678, is 4.41% over 2009. Mr. Martin pointed out that the cost of Article 2 is actually less than what was posted on the warrant and that the School Board would be amending Article 2.

Mr. Martin highlighted the major factors impacting the FY10 operating budget. The major factors are the state mandated kindergarten expenses of \$321,725, of which \$303,330 will be offset by additional state revenues; NH Retirement System mandated contribution rate increases, \$109,841; and mandated repairs and improvement to GMS, \$95,650. If these items are excluded, the operating budget increase would only be 1.04%.

LB

Mr. Martin pointed out that the School Board's recommended general fund operating budget is \$797,416 less than 2009. He reviewed the major increases impacting the budget as follows:

- Kindergarten has been mandated by the state and the expenses, \$321,725, account for 40.35% of the increase to the operating budget. The cost will be offset by \$303,330 in additional state funding.
- Existing non-LEA Staff Salary & Benefits increase of \$136,330, account for 17.10% of the increase to the operating budget.
- NH Retirement contributions increase of \$109,841, account for 13.77% of the increase to the budget, due to mandated contribution rate increases.
- Utilities increase of \$75,539, account for 9.47% of the increase to the operating budget.
- Paraprofessionals Salaries increase of \$50,060, account for 6.28% of the increase to the operating budget (\$30,000 reduced in 2009 budget).
- Mandated safety repairs at GMS required by the Litchfield Fire Department and Building Inspector, \$48,000, account for 6.02% of the increase to the operating budget.
- GMS Repairs required by the NH DOE & the Litchfield Health Inspector for School Approval, \$47,650, account for 5.98% of the increase to the operating budget.
- Expanded Days for the Director of Curriculum, \$45,609, account for 5.72% of the increase to the operating budget.
- Health & Dental Insurance increase of \$42,129, account for 5.28% of the increase to the operating budget.
- Transportation Contract increase of \$38,422, account for the 4.82% of the increase to the operating budget.
- Data Communications increase of \$32,436, account for 4.07% of the increase to the operating budget. Mr. Martin pointed out that half of this increase is due to an error in setting the 2009 budget. The other half is due to two additional T1 lines supporting GMS and LMS.
- LEA Grade Change Salary & Benefit increases of \$21,393, account for 2.68% of the increase to the operating budget, are covered under the operating budget and are not part of the costs of the new Collective Bargaining Agreement.
- Current GMS Portable lease of \$21,299, accounts for 2.67% of the increase to the operating budget (the portable was leased last year due to the closure of the 1930's building).
- Workers' Compensation Insurance increase of \$21,222, accounts for 2.66% of the increase to the operating budget. The major share of this increase was to gross appropriate the costs prior to the refund.
- Teacher 6th Period Classes increase of \$18,745, accounts for 2.35% of the increase to the operating budget, which is attributed to teachers at the middle and high school levels who teach an additional course period.
- Daily Substitute Salaries increase of \$16,142, account for 2.02% of the increase to the operating budget, which is driven by a need to increase the daily rate.
- LMS School Year Receptionist salary of \$15,523, which is a new position, accounts for 1.95% of the increase to the operating budget.
- All other accounts have been reduced \$264,649 or 33.19%.

LB

Mr. Martin explained that object accounts are used to describe the services or commodities obtained as a result of the specific expenditure. He briefly reviewed object accounts highlighting a 40% increase in the Property Services account, which is due to required repairs, updates, and improvements (GMS mandated repairs and upgrades). He indicated that the site work and septic set up for the GMS portables for kindergarten will be funded 100% by the State of New Hampshire. Other property service account increases include transportation, out-of-district tuition for at-risk students in compliance with the new state attendance age law, and property and liability insurance. Salaries & Benefits account for 72% of the operating budget. If the Teachers' contract is approved by voters, salaries and benefits will account for 74% of the budget.

Mr. Martin explained that function accounts are used to describe the activity for which a service or expense is used. He reviewed increases and decreases to the function accounts. Regular Programs increased 1.4%; Special Programs 3.5%; Student Support Services 7.4%, part of which includes a transfer position (teacher) from LMS to CHS for an at-risk counselor; Instructional Staff Services 7.1%, due to an increase in days (salary) for the Director of Curriculum; Operation & Maintenance of Plant 10.4% due to the required GMS repairs and upgrades.

Mr. Martin reviewed the Budget Committee's reductions to the School Board budget. These reductions included: Athletic salaries \$5700; Dental Insurance \$8000; Social Security \$23,811; Workers Compensation Insurance \$10,000; Game Officials \$2,000; Electricity \$13,000; Fuel \$10,000; and Ground Equipment Replacement \$2000; for a total of \$74,511. Mr. Martin pointed out that the reduction in the Workers Compensation Insurance will not allow the District to gross appropriate this account.

Mr. Martin reviewed estimated revenue, which includes the revenue from state sources for kindergarten; an increase in the adequate education grant offset by a reduction in the state education taxes, which will reduce the state property tax rates by seven cents. Revenue from state sources will increase 3.8%. Mr. Martin also reviewed revenue from federal sources, such as Food Service revenue and revenue from grants, which will not impact the tax rate.

Mr. Martin indicated that the 2007-2008 year concluded with a fund balance of \$467,000. He is budgeting a fund balance of \$200,000 for this year, which is subject to change.

Mr. Martin indicated that the total 2009-2010 budget to be raised by taxes would equate to \$10.81 per thousand, a \$.49 increase from last year, which has been adjusted by the .07 reduction in state property tax. If the Teachers' contract and the Special Education Capital Reserve articles are approved by the voters, the tax rate increase will be \$1.00 (adjusted by the seven cent reduction to the state property taxes).

The Moderator invited the community to comment on Article 1.

Mrs. Laurie Ortolano, 16 Martin Lane, made a motion to reduce the 2009-2010 Operating Budget to \$20,405,911. The motion was seconded.

Mrs. Ortolano indicated that the amount of the reduction was \$321,925, which was budgeted for kindergarten.

LP

The Moderator invited discussion of Article 1.

Mr. Miller commented that the State of New Hampshire has mandated the implementation of kindergarten. The District is required by law to have kindergarten. Reducing the cost of kindergarten in the budget would not mean that kindergarten would not be implemented. The District would have to find the money to fund kindergarten. A kindergarten program is essential and would mean more efficiency for first graders.

John Latsha, 10 McElwain Drive, commented that the problem is not with kindergarten, but the process in which the cost was included in the budget without being placed on a warrant article for the taxpayers to decide. He commented further although kindergarten would be funded by the state for three years, residents would have to fund it after that period. He felt that the people should have the right to vote on it. Mr. Latsha indicated that the mandate from the state was unfunded and quoted a School Board member who commented [at a previous Board meeting] that kindergarten is an unfunded mandate and is unconstitutional. He continued quoting that the Board member referred to the Hudson litigation. Mr. Latsha commented that the kindergarten issue should be decided by the people on a warrant article. He also referred to past warrant articles that failed (e.g. CHS track resurfacing, fencing), stating that these issues were not approved by the voters, but were included in the following year's budget.

Mr. Miller commented that he understood Mr. Latsha's viewpoint, however, Hudson is not challenging the funding of kindergarten. Hudson is challenging the mandate. Mr. Miller indicated that the explanation from Hudson's attorney is that they are not challenging the funding. If Hudson wins the lawsuit, it will not overturn the funding. Mr. Miller pointed out that even if kindergarten was on the warrant in Litchfield and it fails, the town must still implement kindergarten according to the law.

Michael Couture, 41 Stark Lane, commented on the budgetary breakdown for kindergarten, noting that some costs are occur only once and some are recurring. He queried about the annual operating cost of kindergarten.

Mr. Martin indicated that the total salaries and benefits to staff kindergarten would be recurring costs and total \$108,107, but would be offset by \$1,200 per pupil from the state for the first three years. Non-salary items, which include the portable classroom leases, would be funded by the state for the first three years as well. Approximately \$84,000 of this expense would be recurring beyond year three. The site work and set up for the portables is a one-time expense that is funded by the state. After three years, the state expects the town to provide a permanent space solution for kindergarten and would fund construction at 75% state building aid.

John Latsha, 10 McElwain Drive, commented that Hudson is, in fact, concerned about the financial aspect of implementing kindergarten.

Mr. Miller responded that Hudson is not challenging the funding of kindergarten, only the mandate.

LP

Bill Spencer, 9 Cranberry Lane, clarified that Hudson is challenging the legal aspect of kindergarten. Hudson did not put kindergarten in their budget and he queried how they were allowed to do so.

Mr. Miller responded that it was Hudson's decision not to include kindergarten in their budget. However, kindergarten has been mandated and we do not know what the ramification from the state will be.

Mr. Spencer commented that they challenged the mandate and chose not to include the money in their budget, but will let the voters decide. He indicated that is the same issue with kindergarten in Litchfield and the voters should make the decision.

Mr. Latsha commented that the only penalty for Hudson if kindergarten is not implemented is to file for an exemption for one year.

Attorney Gordon Graham clarified that Hudson's issue with kindergarten is that it is mandated by the state, but only funded for the first three years. Hudson wants it fully funded. Hudson's lawsuit does not invalidate the law. Hudson is challenging that the districts that do not have kindergarten are being compelled to implement and fund it. Litchfield is different because of the complexity of the law. The "no means no" law [RSA 32:10, I (e)] states that the purpose or article shall be deemed one for which no appropriation is funded in that budget year. The Town of Litchfield approved kindergarten three years ago. The legislature passed the portion of the bill for kindergarten construction that was exempted from the no means no law to preempt kindergarten failing on a warrant. They never exempted the operational budget from the no means no law. School districts are now in a bad position. It was his advice that it was necessary for districts [for legal issues] to include kindergarten in the operating and default budgets. An unfunded mandate in Litchfield is contingent on voters never approving a program. The Litchfield community did vote in favor of kindergarten.

Peter Moore, 31 Deerwood Drive, commented that placing kindergarten on a separate warrant article placed the Board in an unfair position. They have been criticized several times for including items that failed in previous warrant articles in the operating budget. This reduction is a specific amount for kindergarten. If residents think the budget is too big, find specific areas to reduce. He added that it is disturbing that Litchfield is one of the few towns in the nation that does not have kindergarten. We have to support education for our children. He stated that he is not supporting the amendment to Article 1.

Bill Spencer, 9 Cranberry Lane, commented that when the original vote for kindergarten was taken the former Superintendent was asked if kindergarten was being forced on the people and she said no. She made a commitment to bring kindergarten to the voters.

Mr. Miller responded that the different conditions exist now than did previously. The law has changed and put us in a difficult position.

Mr. Phil Reed, 7 Forest Lane, stated that he was opposed to the amendment. He commented that the issue is either pay now or pay later, and pay later always costs more. We need to move forward. He urged residents to defeat the amendment.

LB

Mr. George Lambert, 3 Lydston Lane, commented that he was not in favor of the amendment. Kindergarten will cost us more later and cost us adequate education for our children. Penny Shupe, 8 McQuestin Circle, commented that she has been a resident of Litchfield for 26 years and spent 20 years as an educator. She stated that this community has continued to invest in our students and that is what we need to do.

Mr. Ralph Boehm, School Board member, commented that we are in a quandary. If we support the amendment we will have to find the funding for kindergarten in the budget and pay legal fees. Our hands are tied. Mr. Boehm stated that if we remove kindergarten by amendment, we would place parents in a difficult position. They would have lost the opportunity to register their child at a private kindergarten of their choice. He urged residents not to support the amendment.

Mr. Bill Spencer, 9 Cranberry Lane, made a motion to call the question. The motion was seconded and passed by voice vote.

A secret ballot was requested in writing by William Spencer, Patricia Spencer, Patricia Byron, Laurie Ortolano, Robert Martineau, for the vote on the motion on the floor to reduce the operating budget to \$20,405,911. The Moderator instructed voters to use ballot number 13 on the blue ballot sheet.

While the secret ballots were being counted, Board members requested a short break. Mr. Miller announced that Mrs. Dot Beauregard would not be seeking reelection to the School Board. He gave a brief background of Mrs. Beauregard's service and contribution to the community. He congratulated her on serving five years on the School Board and presented her with an award.

The Moderator indicated that the secret ballot had been collected and counted by the Supervisors of the Checklist.

The secret ballot count for the proposed amendment was: Yes, 26; No, 44. **The amendment was defeated.**

The Moderator asked if there was further discussion of Article 1.

Al Raccio, 16 Bear Run Drive, queried about the transportation costs for kindergarten.

Mr. Miller responded that there would be no increase in transportation costs as kindergarten students will be transported in conjunction with the elementary students. There will also be no midday transportation for kindergarten.

There were no further amendments or discussion, **Article 1 stands as written.**

Mr. Regan read Article 2.

LB

ARTICLE 2

Shall the Litchfield School District vote to approve the cost items included in the collective bargaining agreement reached between the Litchfield School District and the Litchfield Education Association which calls for the following increases in salaries and benefits:

<i>Year</i>	<i>Estimated Increase</i>
<i>2009-2010</i>	<i>\$ 457,623.00</i>
<i>2010-2011</i>	<i>\$ 374,373.00</i>
<i>2011-2012</i>	<i>\$ 379,805.00</i>

and further to raise and appropriate the sum of Four Hundred Fifty-Seven Thousand, Six Hundred Twenty-Three dollars (\$457,623.00) for the 2009-2010 fiscal year, such sum representing the additional costs attributable to the increase in salaries and benefits over those of the appropriation at current staffing levels paid in the prior fiscal year?

Pursuant to RSA 273-A:12, VII, this collective bargaining agreement, including the pay plan but excluding cost of living increases, will continue until a new agreement is executed.

Recommended by the School Board

Recommended by the Budget Committee

Mr. Dennis Miller made a motion to reduce the first year cost amount of the Teachers' Contract in Article 2 to \$451,354. The motion was seconded.

Mr. Miller explained that the amendment was being made due to an accounting misallocation in the athletics and co-curricular accounts. The purpose is to adjust the figure to implement the negotiated agreement and correct a mistake in the original calculation of the cost items needed to implement the cost items in the agreement.

The Moderator asked if there was any discussion on the amendment. Hearing none, the Moderator asked for a vote on the amendment.

The amendment passed by voice vote.

Mr. Miller spoke to the article explaining that the contract is the result of a four month long negotiation process during which he and Mr. Boehm served on a negotiation committee. He noted that the Board's desire was to minimize the cost to the taxpayers, reduce health insurance costs to the District, and maintain competitive salaries. Several options were discussed. The end result was that salary schedules would be adjusted 2.5% each year for three years, plus step increases that range from 2.76% to 4.48%; there is a 0% step increase for teachers at the top step, and no increase in longevity adjustments for those that qualify. 37% of the District's teachers are at the top step of the salary schedule.

Mr. Miller further stated that there will be no increase in co-curricular and athletic stipends over the three years. Board members and the LEA will study the allocation of the stipends. Also agreed upon is a new perfect attendance stipend to help reduce the cost of substitute teachers. The lower cost health plan reflects increased co-pays for office visits and emergency room visits. There is no increase in the per LEA member professional development dollars over the three years.

LP

Mr. Miller indicated the cost of the agreement is \$451,354 for year one, \$374,373 for year two, and \$379,805 for year three. The impact is \$.46 on the tax rate for year one and \$.39 on the tax rate for years two and three.

The Moderator opened the floor to discussion of the article.

Rich Carter, 74 Talent Road, queried if the perfect attendance cost was included in the budget.

Mr. Miller responded that the perfect attendance cost is not reflected in the budget.

Mr. Carter was concerned about where the money would come from.

Mrs. Couture noted that the cost would be offset by the need for fewer substitutes.

Anja Duprat, 5 Ronisa Avenue, queried if the health costs are locked over the three years of the contract and who would pay any difference if there were an increase in cost.

Mr. Miller responded that the costs differ from year to year, and the District pays 85% of the cost from year to year.

SueAnn Johnson, 35 Locke Mill Drive, queried if the COLA and longevity are paid annually.

Mr. Miller responded that the 2.5% is an annual adjustment. The longevity stipend will be added to the salaries of the teachers who have reached top step and qualify for longevity.

Ms. Johnson was concerned with a three year contract in light of the economy. She commented that many people's salaries are being reduced and many are facing layoffs. She stated that although she wants the District to have quality in teaching, the attendance bonus is not necessary. She felt that the Board should have been more conservative in negotiations.

Mr. Miller commented that Litchfield has a high quality staff and they considered a shorter term contract. They felt that the economic climate warranted the three year contract as futures are uncertain. The teachers, School Board, and Budget Committee felt this was a fair contract. It will be up to the voters in March.

Peter Moore, 34 Deerwood Drive, queried why the first year was higher than the other two years.

Mr. Martin explained that in the cost is higher in the first year because of the allocation of teachers on the schedule. Each year additional staff reach the top step, which reduces the annual cost increase. It can be very complicated because of the combination of steps and total experience.

Bill Spencer, 9 Cranberry Lane, commented that part of the reason for the question is because the contract is based on the existing pool and over three years the cost is affected by new hires.

LP

Al Raccio, 16 Bear Run Drive, commented that the longevity doesn't seem to track the rest of the numbers.

Mr. Martin responded that it is based on the allocation of current staff. When a teacher reaches 15 years with 5 years in the district, or 20 years with 5 years in the district the teacher is eligible for longevity. The longevity cost was calculated for each existing staff member.

Mr. Raccio commented that would assume the history shows a very low attrition.

Mr. Martin indicated that there are a number of staff at the top of the longevity step. They could teach another 10 or 15 years and you will see no change in that line. It is an actual expected cost based on current staff.

There were no further amendments or discussion, **Article 2 stands as amended.**

Mr. Dennis Miller, 37 Wren Street, made a motion to restrict reconsideration of Article 1. The motion was seconded and passed by voice vote.

Mr. Dennis Miller, 37 Wren Street, made a motion to restrict reconsideration of Article 2. The motion was seconded and passed by voice vote.

Mr. Regan read Article 3.

ARTICLE 3

Shall the Litchfield School District authorize the Treasurer, with the approval of the School Board, to appoint a Deputy Treasurer for a 1-Year Term under the provisions of RSA 197:24(a) to serve only in the absence or unavailability of the Treasurer? This is an unpaid position.

Mr. Boehm spoke to the article. He explained that Litchfield has no deputy treasurer. This is a one year term and the deputy treasurer would only serve in the absence or unavailability of the treasurer. The position is necessary to operate the District within the law and is required by the District's outside auditing firm. This is an unpaid and necessary position.

John Latsha, 10 McElwain Drive, queried if the position is voluntary.

Mr. Boehm indicated in the affirmative and that the position is unpaid.

The Moderator clarified that the deputy treasurer is appointed by the treasurer and approved by the School Board.

There were no further amendments or discussion, **Article 3 stands as written.**

Mr. Regan read Article 4.

LB

ARTICLE 4

Shall the Litchfield School District raise and appropriate up to Fifty Thousand dollars (\$50,000.00) to the Capital Reserve Fund for educating educationally disabled children established in 2004 and authorize the use of that amount from the June 30 unreserved fund balance (surplus) available for transfer on July 1 of this year?

Recommended by the School Board

Recommended by the Budget Committee

Mr. Miller spoke to the article. He indicated that the Board is not requesting an increase to next year's budget. We are requesting approval to add up to \$50,000 from any funds not spent by June 30, 2009 to the existing special education capital reserve fund. These funds may be used to cover any unanticipated educational costs for a special education student that is not included in the approved budget. Out-of-district placements can cost in excess of \$100,000.

John Latsha, 10 McElwain Drive, commented that his research of special education capital reserve funds in other districts indicated that the average is \$10,000 to \$25,000 and that \$50,000 is excessive.

Mr. Miller responded that actual out-of-district placements of special education students can exceed \$100,000. This is not a slush fund and would require a vote of the Board to expend the money.

There were no further amendments or discussion, **Article 4 stands as written.**

Mr. Regan read Article 5.

ARTICLE 5

Shall the School District vote to require that all votes by the Budget Committee and the School Board relative to budget items and warrant articles, shall be recorded votes and that a numeric tally of the votes be printed in the School District warrant next to the affected warrant article in accordance with RSA 32:5, V-a?

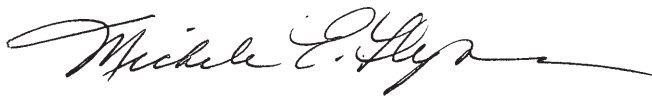
Mrs. Couture spoke to the article. She explained that the article would require the District to record the recommendation and vote tally of both the Board and Budget Committee on the warrant. This practice was approved at a previous District meeting. The new law restricts the printing of the vote tallies on the ballot. A new vote is needed to reinstate the ability to print the vote tallies on the ballot and warrant. The Board believes it is beneficial for voters to see the recommendations and tallies and is recommending this article.

There were no discussion or amendments, **Article 5 stands as written.**

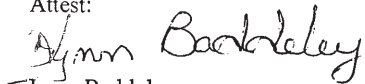
The Moderator thanked all who attended and accepted a motion to adjourn at 3:50 p.m. The motion was seconded. The motion passed unanimously by voice vote.

UP

Prepared by:
Michele E. Flynn
Secretary to the Litchfield School Board



A true record of the
Litchfield School District Deliberative Session
Attest:



Lynn Baddeley
School District Clerk

Submitted: February 4, 2009

LB

2009 LITCHFIELD SCHOOL DISTRICT WARRANT STATE OF NEW HAMPSHIRE

To the inhabitants of the School District of the Town of Litchfield in the County of Hillsborough and the State of New Hampshire, qualified to vote upon district affairs:

FIRST SESSION OF ANNUAL MEETING (DELIBERATIVE)

You are hereby notified that the first session of the annual meeting of the School District of the Town of Litchfield will be held at Campbell High School, 1 Highlander Court, in said Litchfield on Saturday, January 31, at 2:00 o'clock in the afternoon for explanation, discussion, and debate of warrant articles number 1 through number 5. Warrant articles may be amended subject to the following limitations: (a) warrant articles whose wording is prescribed by law shall not be amended, and (b) warrant articles that are amended shall be placed on the official ballot for a final vote on the main motion, as amended.

SECOND SESSION OF ANNUAL MEETING (VOTING)

You are hereby notified that the second session of the annual meeting of the School District of the Town of Litchfield will be held at Campbell High School, 1 Highlander Court, in said Litchfield on Tuesday, March 10, 2009, at 7:00 o'clock in the forenoon for the choice of School District Officers elected by official ballot, to vote on questions required by law to be inserted on the official ballot, and to vote on all Warrant Articles from the first session on official ballot per RSA 40:13, VII. The polls for the election of School District Officers and other action required to be inserted on said ballot will open on said date at 7:00 o'clock in the forenoon and will not close earlier than 7:00 o'clock in the evening.

ARTICLE A

To elect by ballot the following School District Officers:

School Board Member
School Board Member

3-Year Term
3-Year Term

ARTICLE 1

Shall the Litchfield School District vote to raise and appropriate as an operating budget, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth on the budget posted with the warrant or as amended by the vote at the first session of the annual school district meeting, for the purposes set forth herein, totaling Twenty Million, Seven Hundred Twenty-Seven Thousand, Six Hundred Thirty-Six dollars (\$20,727,636)? Should the article be defeated, the default budget shall be Twenty Million, Eight Hundred Forty-Nine Thousand, Six Hundred Seventy-Eight dollars (\$20,849,678), which is the same as last year, with certain adjustments required by previous action of the Litchfield School District or by law; or the School Board may hold one special meeting, in accordance with RSA 40:13 X and XVI, to take up the issue of a revised operating budget only.

ARTICLE 2

Shall the Litchfield School District vote to approve the cost items included in the collective bargaining agreement reached between the Litchfield School District and the Litchfield Education Association which calls for the following increases in salaries and benefits:

Year	Estimated Increase
2009-2010	\$ 457,623.00
2010-2011	\$ 374,373.00
2011-2012	\$ 379,805.00

and further to raise and appropriate the sum of Four Hundred Fifty-Seven Thousand, Six Hundred Twenty-Three dollars (\$457,623.00) for the 2009-2010 fiscal year, such sum representing the additional costs attributable to the increase in salaries and benefits over those of the appropriation at current staffing levels paid in the prior fiscal year?

Pursuant to RSA 273-A:12, VII, this collective bargaining agreement, including the pay plan but excluding cost of living increases, will continue until a new agreement is executed.

Recommended by the School Board

Recommended by the Budget Committee

ARTICLE 3

Shall the Litchfield School District authorize the Treasurer, with the approval of the School Board, to appoint a Deputy Treasurer for a 1-Year Term under the provisions of RSA 197:24(a) to serve only in the absence or unavailability of the Treasurer? This is an unpaid position.

ARTICLE 4

Shall the Litchfield School District raise and appropriate up to Fifty Thousand dollars (\$50,000.00) to the Capital Reserve Fund for educating educationally disabled children established in 2004 and authorize the use of that amount from the June 30 unreserved fund balance (surplus) available for transfer on July 1 of this year?

Recommended by the School Board

Recommended by the Budget Committee

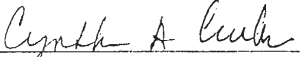
ARTICLE 5

Shall the School District vote to require that all votes by the Budget Committee and the School Board relative to budget items and warrant articles, shall be recorded votes and that a numeric tally of the votes be printed in the School District warrant next to the affected warrant article in accordance with RSA 32:5, V-a?

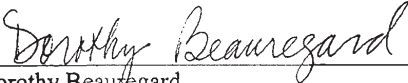
**GIVEN UNDER OUR HANDS AT SAID LITCHFIELD THIS 21 DAY
OF JANUARY 2009.**



Dennis Miller, Chair



Cynthia Couture, Vice Chair



Dorothy Beauregard



Ralph G. Boehm



Patricia Jewett

Litchfield School Board

**LITCHFIELD SCHOOL DISTRICT MEETING
ELECTION RESULTS
MARCH 10, 2009
The State of New Hampshire**

Election of Officers

School Board: **Jason Guerrette, 711 votes, elected; three-year term**
 Dennis Miller, 577 votes, elected; three-year term

Warrant Articles

ARTICLE 1

Shall the Litchfield School District vote to raise and appropriate as an operating budget, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth on the budget posted with the warrant or as amended by the vote at the first session of the annual school district meeting, for the purposes set forth herein, totaling Twenty Million, Seven Hundred Twenty-Seven Thousand, Six Hundred Thirty-Six dollars (\$20,727,636)? Should the article be defeated, the default budget shall be Twenty Million, Eight Hundred Forty-Nine Thousand, Six Hundred Seventy-Eight dollars (\$20,849,678), which is the same as last year, with certain adjustments required by previous action of the Litchfield School District or by law; or the School Board may hold one special meeting, in accordance with RSA 40:13 X and XVI, to take up the issue of a revised operating budget only.

**Article Passed - Yes: 965
No: 331**

ARTICLE 2

Shall the Litchfield School District vote to approve the cost items included in the collective bargaining agreement reached between the Litchfield School District and the Litchfield Education Association which calls for the following increases in salaries and benefits:

Year	Estimated Increase
2009-2010	\$ 451,354.00
2010-2011	\$ 374,373.00
2011-2012	\$ 379,805.00

and further to raise and appropriate the sum of Four Hundred Fifty-One Thousand, Three Hundred Fifty-Four dollars (\$451,354.00) for the 2009-2010 fiscal year, such sum representing the additional costs attributable to the increase in salaries and benefits over those of the appropriation at current staffing levels paid in the prior fiscal year?

Pursuant to RSA 273-A:12, VII, this collective bargaining agreement, including the pay plan but excluding cost of living increases, will continue until a new agreement is executed.

Recommended by the School Board

Recommended by the Budget Committee

**Yes: 442
Article Failed - No: 866**

ARTICLE 3

Shall the Litchfield School District authorize the Treasurer, with the approval of the School Board, to appoint a Deputy Treasurer for a 1-Year Term under the provisions of RSA 197:24(a) to serve only in the absence or unavailability of the Treasurer? This is an unpaid position.

Article Passed - Yes: 1,027

No: 275

ARTICLE 4

Shall the Litchfield School District raise and appropriate up to Fifty Thousand dollars (\$50,000.00) to the Capital Reserve Fund for educating educationally disabled children established in 2004 and authorize the use of that amount from the June 30 unreserved fund balance (surplus) available for transfer on July 1 of this year?

Recommended by the School Board

Recommended by the Budget Committee

Article Passed - Yes: 726

No: 571

ARTICLE 5

Shall the School District vote to require that all votes by the Budget Committee and the School Board relative to budget items and warrant articles, shall be recorded votes and that a numeric tally of the votes be printed in the School District warrant next to the affected warrant article in accordance with RSA 32:5, V-a?

Article Passed - Yes: 1,103

No: 196

A true report of the 2009 Litchfield School District election results, prepared by:



Michele E. Flynn
School Board Secretary
March 11, 2009

A true report of the 2009 Litchfield School District election results, attest:



Lynn Baddeley
School District Clerk

2010 LITCHFIELD SCHOOL DISTRICT WARRANT STATE OF NEW HAMPSHIRE

To the inhabitants of the School District of the Town of Litchfield in the County of Hillsborough and the State of New Hampshire, qualified to vote upon district affairs:

FIRST SESSION OF ANNUAL MEETING (DELIBERATIVE)

You are hereby notified that the first session of the annual meeting of the School District of the Town of Litchfield will be held at Campbell High School, 1 Highlander Court, in said Litchfield on Saturday, February 6, 2010, at 2:00 o'clock in the afternoon for explanation, discussion, and debate of warrant articles number 1 through number 4. Warrant articles may be amended subject to the following limitations: (a) warrant articles whose wording is prescribed by law shall not be amended, and (b) warrant articles that are amended shall be placed on the official ballot for a final vote on the main motion, as amended.

SECOND SESSION OF ANNUAL MEETING (VOTING)

You are hereby notified that the second session of the annual meeting of the School District of the Town of Litchfield will be held at Campbell High School, 1 Highlander Court, in said Litchfield on Tuesday, March 9, 2010, at 7:00 o'clock in the forenoon for the choice of School District Officers elected by official ballot, to vote on questions required by law to be inserted on the official ballot, and to vote on all Warrant Articles from the first session on official ballot per RSA 40:13, VII. The polls for the election of School District Officers and other action required to be inserted on said ballot will open on said date at 7:00 o'clock in the forenoon and will not close earlier than 7:00 o'clock in the evening.

ARTICLE A

To elect by ballot the following School District Officers:

School Board Member
School Board Member

3-Year Term
3-Year Term

ARTICLE 1

Shall the Litchfield School District vote to raise and appropriate as an operating budget, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth on the budget posted with the warrant or as amended by the vote at the first session of the annual school district meeting, for the purposes set forth herein, totaling Twenty Million, Five Hundred Thirty-one Thousand, Eight Hundred Seventy-one dollars (\$20,531,871)? Should the article be defeated, the default budget shall be Twenty Million, Eight Hundred Sixty-four Thousand, Two Hundred Eleven dollars (\$20,864,211), which is the same as last year, with certain adjustments required by previous action of the Litchfield School District or by law; or the School Board may hold one special meeting, in accordance with RSA 40:13 X and XVI, to take up the issue of a revised operating budget only.

Recommended by the School Board
(3-2-0)

Recommended by the Budget Committee
(8-0-0)

ARTICLE 2

Shall the Litchfield School District vote to approve the cost items included in the collective bargaining agreement reached between the Litchfield School District and the Litchfield Education Association which calls for the following increases in salaries and benefits:

Year	Estimated Increase
2009-2010	\$ 0.00
2010-2011	\$ 171,630.00
2011-2012	\$ 232,763.00

and further to raise and appropriate the sum of One Hundred Seventy-one Thousand, Six Hundred Thirty dollars (\$171,630.00) for the 2010-2011 fiscal year, such sum representing the additional costs attributable to the increase in salaries and benefits required by the new agreement over those that would be paid at current staffing levels in accordance with the most recent collective bargaining agreement.

Pursuant to RSA 273-A:12, VII, if approved, the terms of this collective bargaining agreement, including the pay plan, but excluding cost of living increases, will continue in force and effect until a new agreement is executed.

Recommended by the School Board
(4-1-0)

Recommended by the Budget Committee
(7-0-0)

ARTICLE 3

Shall the Litchfield School District vote to raise and appropriate up to Fifty Thousand dollars (\$50,000.00) to the Capital Reserve Fund for educating educationally disabled children established in 2004 and authorize the use of that amount from the June 30 unreserved fund balance (surplus) available for transfer on July 1 of this year?

Recommended by the School Board
(4-1-0)

Not Recommended by the Budget Committee
(7-1-0)

ARTICLE 4 (Petitioned Article)

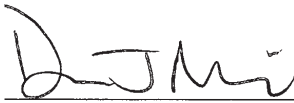
Shall Litchfield, NH adopt the provisions of RSA 40:14-b to delegate the determination of the default budget to the municipal budget committee which has been adopted under RSA 32:14?

Three-fifths (3/5) ballot vote required.

*Not Recommended by the School Board
(4-1-0)*

*Recommended by the Budget Committee
(5-3-0)*

**GIVEN UNDER OUR HANDS AT SAID LITCHFIELD THIS 20th DAY
OF JANUARY 2010.**



Dennis Miller, Chair



Ralph Boehm, Vice Chair



Cynthia Couture



Jason Guerrette



Patricia Jewett

Litchfield School Board

**LITCHFIELD SCHOOL DISTRICT
DELIBERATIVE SESSION
February 6, 2010
The State of New Hampshire**

Time, Place: The meeting was called to order at 2:00 p.m. in the Campbell High School Auditorium.

Present: Moderator, Mr. John G. Regan, presiding.

School Board members: Mr. Dennis Miller, Chair; Mr. Ralph Boehm, Vice Chair; Mrs. Cynthia Couture; Mr. Jason Guerrette; and Mrs. Pat Jewett (Board Member and Selectwoman).

Dr. Elaine Cutler, Superintendent of Schools; Mr. Stephen Martin, Business Administrator; Dr. Ronda Gregg, Director of Special Services; Amanda Lecaroz, Director of Curriculum & Instruction; Michele E. Flynn, School Board Administrative Assistant; Mr. Rob Demaine, IT Technician; Ms. Lynn Baddeley, School District Clerk; Gordon Graham, Attorney for the District.

Mr. Robert Manseau, Campbell High School Principal; Mr. Tom Lecklider Litchfield Middle School Principal; Mr. Martin ("Bo") Schlichter, Griffin Memorial School Principal.

Budget Committee members: Mr. John Harte, Vice Chair; Mr. Paul Parker; Mr. Mike Falzone, Mr. William Spencer; Mr. Ray Peeples, Mr. George Lambert, (Selectmen's Representative).

Ballot clerks: Ms. Bertha Miecowski, Mrs. Joan McKibben.

Mr. Regan invited members to join him in the Pledge of Allegiance.

Mr. Regan introduced Mr. Phil Reed, Vice Moderator, and reviewed the Moderator's rules and protocol for the Deliberative Session according to state law.

Mr. Regan introduced Mr. Dennis Miller, School Board Chair. Mr. Miller introduced School Board members, SAU staff, and attorney.

Mr. Regan introduced Mr. John Harte, Vice Chairman of the Budget Committee. Mr. Harte introduced Budget Committee members.

Note: The order of business of the Deliberative Session is sometimes conducted out of the warrant articles' numeric sequence. Recording activity in chronological order would make the minutes difficult to follow; therefore, the articles will be listed, with action taken thereon, in the order in which they were listed on the warrant.

Mr. Regan read Article A.

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ARTICLE A.

To elect by ballot the following School District Officers:

School Board Member 3-Year Term

School Board Member 3-Year Term

The Moderator opened discussion of Article A.

Hearing no discussion, **Article A stands as written.**

Mr. Regan read Article 1 and indicated that Mr. Miller would speak to the article.

ARTICLE 1

Shall the Litchfield School District vote to raise and appropriate as an operating budget, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth on the budget posted with the warrant or as amended by the vote at the first session of the annual school district meeting, for the purposes set forth herein, totaling Twenty Million, Five Hundred Thirty-One Thousand, Eight Hundred Seventy-One dollars (\$20,531,871)? Should the article be defeated, the default budget shall be Twenty Million, Eight Hundred Sixty-Four Thousand, Two Hundred Eleven dollars (\$20,864,211), which is the same as last year, with certain adjustments required by previous action of the Litchfield School District or by law; or the School Board may hold one special meeting, in accordance with RSA 40:13 X and XVI, to take up the issue of a revised operating budget only.

This article was recommended by the School Board by a vote of 3-2-0, and by the Budget Committee by a vote of 8-0-0.

Mr. Miller thanked School Board members, Budget Committee members and school district Administrators for their work during the budget process. Mr. Miller deferred to Mr. Martin to speak to the budget.

Mr. Martin explained the budget development process. He indicated that the Superintendent requested a level-funded budget. The Administrative Team made initial recommended reductions with prioritization. The Superintendent and the Administrative Team then prioritized their requests and make second level adjustments to the budget. The School Board made final adjustments and approved the proposed budget for Budget Committee consideration. The Budget Committee is responsible for recommending the budget amount to be placed on the warrant. The School Board will approve final allocations after the March vote. Mr. Martin explained that the Default Budget is created for the School Board and approved by the Board. The Budget Committee is not involved in the Default process.

Article 1 represents the total District operating budget for the 2010-2011 fiscal year and that it includes general fund, food service, and grant fund budgets.

Mr. Martin explained that he would present a budget summary, the School Board proposed operating budget with major factors impacting district needs, the Budget Committee's recommended budget, the Budget Committee's reductions, estimated revenues and

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appropriations, and tax rate impact. He added that all presentations and budget handouts are available on the District website at www.litchfieldsd.org/finance/documents/2011budget.pdf.

The total FY11 budget on the ballot is the Budget Committee's recommended budget of \$20,531,871, which includes the general operating fund, food services fund, and the grants fund. Mr. Martin noted that the budget does not include increases from the proposed LEA contract or the warrant article relative to the Special Education Capital Reserve Fund. The total FY11 proposed School Board budget [with the inclusion of the two warrant articles] reflects a reduction of \$109,045. Mr. Martin pointed out that the School Board recommended over one million dollars of reductions in order to present a budget decrease to the Budget Committee. The total FY11 recommended Budget Committee budget reflects a reduction of \$463,739. The FY11 Default Budget totals \$20,864,211 and reflects an increase of \$86,575 over the recommended budget. Mr. Martin explained that the Default Budget increase is greatly impacted by ARRA grant funds.

Mr. Martin highlighted major impacts to the School Board FY11 proposed operating budget:

- Health Insurance Rate Increase (\$327,987)
- Special Education Out of District Tuition (\$293,200)
- NH Retirement Rate Increase (\$88,654)
- Campbell Track Surface Replacement (\$80,000)
- Special Education Transportation (\$51,934)
- Existing Non-LEA Staff Salary & Payroll Benefit Increases (\$49,528)
- GMS Additional ADA Bathrooms Required by NH DOE & Litchfield Health Inspector for School Approval (\$49,000)
- Self-Funded Programs (offset by revenues) (\$24,810)
- Replacement Textbooks (English curriculum review) (\$20,284)
- Dental Insurance Rate Increase (\$17,931)
- LEA Grade Change Salary & Benefit Increase (\$16,715)

Total major increases: \$1,020,043.

Mr. Martin highlighted major reductions to the School Board FY11 proposed operating budget:

- Staff Reductions (\$249,789)
 - One 4th grade teacher driven by student population,
 - Part time special education teacher,
 - CHS special education teacher,
 - Reduction of 6th period classes (student driven),
 - Curriculum director reduced to part time,
 - Payroll coordinator reduced to part time.
- Kindergarten Site Preparation & Startup Expenses (\$133,748)
- Fuel Oil, Propane, & Fuel (\$80,025)
- Computer Equipment (67,396)
- Supplies (\$62,662)
- Special Education Capital Reserve Fund (\$50,000)
- GMS Safety Repairs Required by Fire Department & Building Inspector (\$48,000)
- Interest Expense (\$42,000)

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- Data Communications & Telephone (\$38,909)
- Vocational Education Transportation (\$31,935)
- Special Education Professional Services (\$30,850)
- Computer Software (\$25,639)
- Workers Compensation Insurance (\$18,483)
- Travel (\$14,735)
- All Other Accounts (\$234,917)

Mr. Martin reviewed the FY11 recommended budget briefly by object account. He explained that object accounts are used to describe the services or commodities obtained as a result of the specific expenditure.

Mr. Martin indicated that there are only two object accounts that are above the FY10 budget: Benefits and Other Services. Benefits increased \$355,667, which is totally driven by an increased cost in health insurance and an increase in the teachers' retirement rate. Other Services increased \$251,223, which includes special education out of district tuition and transportation.

Mr. Martin reviewed the FY11 recommended budget briefly by function account. He explained that function accounts are used to describe the activity for which a service or expense is used.

Mr. Martin highlighted increases and decreases in function accounts:

Decreases:

- Regular Programs (\$16,091)
- Vocational Programs (\$7,032)
- Other Programs (\$9,819)
- Instructional Staff Services (\$125,834)
- Business & Finance (\$10,887)
- Operation & Maintenance of Plan (\$67,668)
- Central Support Services (\$6,100)
- Debt Service & Capital Reserves (\$92,000)

Increases: (Note: Many function increases are driven by circumstances that are beyond the Board's control)

- Special Programs (\$113,270), which is driven by out of district tuition and transportation
- Self-Funded Programs (\$24,810), which are offset by revenue
- Adult & Community Programs (\$1,975)
- Student Support Services (\$302)
- SAU, District, & School Board (\$23,428)
- School Administration (\$26,275)
- Student Transportation (\$19,302)
- Facilities Acquisition & Construction (\$17,025)

Mr. Martin provided an overview of Other Programs (function account). He indicated that 99.72% of the Other Programs function account is made up of Athletics/Co-curricular.

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However, transportation for athletics/co-curricular and field trips is included in the Student Transportation account. The total proposed budget for Athletics/Co-curricular is \$523,742. Mr. Martin pointed out that there has been no increase to Athletics/Co-curricular for the past two years. He also mentioned that no increases in the proposed LEA contract will impact the Athletics/Co-curricular budget.

Mr. Martin noted that during this year's budget development process, Budget Committee members requested the budget be presented by location account. He explained that location accounts are used to describe the physical location where the activity or cost is used or expensed (i.e. GMS, LMS, District). Mr. Martin provided a location account breakdown of the FY11 general fund budget:

- District-wide 23%
- CHS 28%
- LMS 22%
- GMS 22%
- SAU 4%
- School Board 1%

Mr. Martin reviewed the Budget Committee's reductions to the School Board budget. These reductions included:

GMS:

- Regular Education Teacher Salaries (\$32,403.66)
- Regular Education Paraprofessionals Salaries (\$2,934.68)
- Guidance Services (\$771.85)
- Custodial Supplies (\$3,405)
- Technology Repairs (\$800)

CHS

- RM Frameworks Software (at CHS request) (\$1,000)
- Athletic Trainer (\$4,260)
- Game Officials (\$3,386)
- Track Repair (cut at the School Board's request) (\$80,000)*

*The School Board requested the track repair be removed and replaced with a geotechnical study (cost of \$10,000) to determine the actual cause of the track's damage. Mr. Martin indicated that it is clear that a water problem is causing the damage; however, it would be prudent to determine the type of water problem and find a resolution before replacing the track.

District-wide

- Special Services Professional Services (\$6,750)
- Handicapped Tuition (\$69,000)
- Co-curricular/Athletic Salaries (\$10,000)
- Course Reimbursement – LEA (\$4,000)
- Special Education Transportation (\$42,000)
- Business Professional Services (\$349)
- Health Insurance (\$55,473.75)
- Social Security (\$11,805.12)

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SAU

- Superintendent Repairs (\$300)
- Superintendent Leases (\$1,171)
- Business Supplies (\$700)
- Human Resources Professional Services (\$500)

School Board

- Polling Staff (\$600)
- General Reductions (\$33,084)

Total Reductions \$354,694.06.

Mr. Martin indicated that the total FY11 recommended operating budget will result in an \$0.11 decrease on the tax rate. In addition, the cost of the proposed LEA contract will result in an \$0.18 increase on the tax rate and the proposed addition to the Special Education Capital Reserve fund will result in a \$.05 increase on the tax rate, if approved by the voters.

Mr. Martin briefly reviewed estimated FY11 revenues indicating that there would be a decrease in School Building Aid, Kindergarten Aid (site prep), Catastrophic Aid, and State Education Taxes. He also noted that there is a small increase in the Adequacy Aid grant of \$22,520. Federal revenues increased \$235,000, impacted largely by ARRA funds. Mr. Martin noted that a decrease in discretionary spending (requested by the Superintendent) may result in a \$372,557 fund balance to reduce taxes.

Mr. Martin reviewed estimated savings to property taxes. He indicated that if the Budget Committee's FY11 recommended operating budget, the proposed LEA contract, and the proposed addition to the Special Education Capital Reserve fund are approved by the voters, the property tax impact will approximately \$12 annually for home valued at \$300,000 and \$16 annually for a home valued at \$400,000.

The Moderator invited the community to comment on Article 1.

Sue Seabrook, 18 Bear Run Drive, queried about the reduction in 6th period classes. She asked if it impacts the students who may want to take extra courses and if the reduction will be offset so they are able to take the extra courses.

Mr. Miller indicated that 6th period classes are not being eliminated, but a reduction in salaries will cause a reduction in the number of 6th period courses that are offered.

Mrs. Seabrook asked how that would not effect the number of classes that are available to students.

Mr. Manseau, Principal, CHS, indicated that currently CHS offers 11 6th period classes. The reduction will bring the total to 5. He noted that the class sizes will have to increase to accommodate students who want to take the extra courses.

George Lambert, 3 Lydston Lane, queried about a \$50,000 line item for GMS roof repairs. He indicated that there is no plan for the money. He also queried about a \$28,000 line item for GMS

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lighting upgrades and asked why the District does not participate in the PSNH lighting upgrade and savings plan (as does the Town).

Mr. Martin indicated that, in reference to the GMS roof, the District does not have a roof report. Core samples were taken by the vendor with a quote from the vendor. Mr. Martin indicated that vendors will not supply a roof report unless they are paid contrary to a previous suggestion that vendors will prepare a roof report for free.

Mr. Martin responded to Mr. Lambert's question about the GMS lighting upgrade. He explained that the upgrade is required by the NH DOE for school approval (accreditation). The Board presented a five year lighting upgrade plan to the NH DOE. Upon approval from the NH DOE, Mr. Lynch, Town Building/Health Inspector, was required to approve the lighting upgrade for a certain number of rooms over five years. Mr. Martin indicated that he has not yet looked into the PSNH plan. Currently, the District is a member of an energy consultant group, which goes out to bid each year to utility providers. Mr. Martin pointed out that if the Board accepted the plan offered through PSNH, savings are not guaranteed and the District will still be required to replace the lighting or violate school approvals compliance.

Mr. Miller spoke to the GMS roof. He explained that the area of the roof that is currently affected is over the Main Office and the Pre-K classrooms.

Mr. Lambert asked why there is no roof plan.

Mr. Miller indicated that the District will acquire three quotes for the roof repairs, however, vendors expect to be paid when providing a roof report.

Dr. Cutler spoke to the GMS lighting. She indicated that she was not comfortable with a reduction to the GMS lighting line item. She explained that the District will certainly try to find a cost lower than \$28,000 for the lighting upgrade; however whether the lighting is provided for free or not, we have to replace it in compliance with the plan presented to and approved by the NH DOE.

Mr. Lambert made a motion to reduce the FY11 recommended operating budget by \$50,000 for the GMS roof repairs.

Patricia D'Alleva, 15 Cutler Road seconded the motion.

Mr. Lambert indicated that there may be a leak in the roof, but the entire scope of work is unknown. He believes that a solution should be determined with a roof plan before putting money in the budget to repair the roof.

Mr. Kam Mun, 5 Reid Lane, asked if the money is cut from the budget how can the roof be repaired?

Jason Guerrette, 11 Perry Court, commented that until an actual roof report is done, the actual damage is unknown, as well as the cost of repairs. He indicated that a vendor will take a core

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sample and charge \$1500 - \$2000 for a roof report, although in his experience there has never been a fee. Mr. Guerrette commented that multiple quotes from vendors will not guarantee that a vendor will actually repair the roof. He added that good maintenance says perform proper investigation and then make repairs.

Monica Gannon, Martin Lane, indicated that the safety of the children is the main concern. She commented that it is better to spend the money to repair the roof than have tiles fall down on the children in the classrooms.

Mr. Guerrette indicated this is not a child safety issue. He commented that when there is a leak in the roof, you effectuate repair. A new roof will not prevent leaks from happening.

Sue Seabrook, 18 Bear Run Drive, commented that she is the nurse at GMS and she has watched ceiling tiles fall every time there is a thaw. She queried if there was a fund that can be used to repair the roof if the motion passes.

Mr. Miller indicated that there is a \$50,000 Maintenance Reserve fund that was established in 2004 and can be used if necessary.

Keri Douglas, 9 Pheasant Street, asked what will happen if the cost to repair the roof exceeds \$50,000.

Mr. Miller indicated that if the cost exceeds the budgeted amount, the Board can either find the difference in the budget, carry the money over to the next year (and budget additional funds), or put the roof repairs on a warrant article.

Mrs. Douglas queried how the options are determined. She indicated that she has had experience with similar issues and there are always problems that occur. She commented that if the extent of the repairs is unknown, it would make sense to have a roof report

Mr. Miller indicated that the current vendor indicated that he will no longer patch the roof as it is creating more damage. He commented that if the roof repair cost results in a higher cost, the previous options he mentioned may apply. He added that if the work is critical, the maintenance reserve fund can be used. Mr. Miller noted that the Board needs to have a quote for budget purposes for a decision to be made.

Maureen Sherwin, 29 Century Lane, indicated that in the past years as a teacher at GMS, she has witnessed ceiling tiles fall while students are in her classroom. She commented that this year she is in a different room and there are buckets inside and outside of the classroom collecting water from leaks in the roof. Ms. Sherwin stated that the roof needs to be repaired for safety to the children.

Mr. William Spencer, 9 Cranberry Lane, made a motion to call the question. The motion was seconded. The motion passed by voice vote.

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The Moderator repeated the main motion by Mr. Lambert to amend the budget from \$20,531,871 to \$20,481,871.

The motion failed by voice vote.

Mr. William Spencer, 9 Cranberry Lane, commented that the Board recommended the budget with a vote of 3-2-0. He queried if Board members were comfortable with the recommended budget if it is approved by the voters.

Mr. Miller acknowledged that the Board vote to recommend the budget was accurate. He commented that while he personally did not agree with all the reductions made to the budget, he believes the budget can meet the District's needs. He deferred to the Superintendent and the Business Administrator.

Dr. Cutler commented that the budget is very lean and she would be uncomfortable if further reductions to the budget were made. She explained that the Board and Administrative Team worked very hard to protect the teachers and classroom management in developing the budget. Dr. Cutler indicated that most of the reductions were to building maintenance and repair and the most important purpose was to preserve the student to teacher ratio. She felt comfortable with the recommended budget and pointed out that she believes that the Litchfield School District has presented the lowest budget in the region. She added that nothing new has been added to the budget and is pleased with the School Board and Budget Committee collaboration on the budget. Dr. Cutler emphasized that she is comfortable with the budget so long as there are no further reductions.

Mr. Martin commented that the biggest risk in budget reductions is in health insurance. He noted that if the LEA contract is approved it will result in a less expensive health plan. He indicated that he is comfortable with the budget as presented. Mr. Martin commented that most of the reductions made were based on historical spending. He added that if the District does not expend the total budget at the end of the year, the remainder is returned to reduce the tax rate. In addition, if there are no unanticipated emergencies, the District can live with the budget.

Mr. Kam Mun, 5 Reid Lane, commented that we have a proud track team and he queried why the money to replace the track was removed from the budget. He also asked if the study determines the root cause of the damage to the track, will the track be returned to its original condition.

Mr. Miller indicated that the Board requested the reduction and recommended \$10,000 for the geotechnical study. The original budget request of \$80,000 was to replace the entire track and the rubber layer. There is a potential water problem. Mr. Miller commented that it is hopeful that the damaged areas can be patched and that the study will determine the actual cause.

Mr. Mun queried if the track team would be able to use the track if patching is successful.

Miller explained that three days with a consistent temperature of 68 degrees is necessary to repair the track before the season opens. He indicated that options to repair the track relative to the outside temperature are being discussed. Mr. Miller commented that everything is being

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done to make the track usable, but there are no guarantees. In addition, the track team is making preparations for “away” meets.

Mr. Spencer (speaking as a Budget Committee member) clarified that the moisture problem is not limited to the track. He indicated that the multi-purpose room at CHS is also affected. He noted that it is important to find the root cause and mitigate the problem. Mr. Spencer indicated that the issue is that the problem has to be solved. He added that when the Board determines a solution it will be brought to the voters.

Mr. Mun, 5 Reid Lane, asked for clarification on the reduction relative to the Athletic Trainer.

Mr. Spencer indicated that the Athletic Trainer’s hours have not been reduced. The reduction was based on a historical under spend. He noted that the Budget Committee level funded the line item as there has been no increase in his contracted wages.

Mr. Miller clarified that the Athletic Trainer is contracted and not an employee of the District.

Mr. Guerrette, 11 Perry Court, commented on the GMS lighting line item. He noted that the District spent \$28,000 last year to upgrade lighting and is doing the same this year. Mr. Guerrette stated that included in the PSNH program is a lighting survey, upgrade the lighting, and guarantee a 40% savings. This can be done with no up-front costs and in less time than over five years. He indicated that the Board of Selectmen have contacted PSNH relative to the lighting program. Mr. Guerrette added that if the District realizes no savings from the program, PSNH will assume the costs.

Mr. Guerrette made a motion to reduce the FY11 recommended budget by \$28,000 for the GMS lighting upgrade.

Nick D’Alleva, 15 Cutler Road, seconded.

Mr. Miller commented that the program does not guarantee reduced electric rates. The District pays a percentage to PSNH to cover the cost of the lights. Mr. Miller indicated that the District goes out to bid for all utilities and agrees to contract with the lowest bidder. He added that if we agreed to contract with PSNH we could be locked into a higher rate than if we went out to bid. In addition, if we entered the lighting upgrade program with PSNH and did not buy our electricity from them, it would create a problem.

Mr. Guerrette indicated that most towns have the same issue. He commented that PSNH does guarantee savings and the program is successful.

The Moderator asked for further discussion. Hearing none, he repeated the main motion by Mr. Guerrette to amend the budget from \$20,531,871 to \$20,503,871.

The motion failed by voice vote.

There were no further amendments or discussion, **Article 1 stands as written.**

Mr. Miller made a motion to restrict reconsideration of Article 1. Mr. Karl Franck seconded. The motion passed by voice vote.

The Moderator announced a short intermission for other business.

Mr. Miller thanked all in attendance and those at home who volunteer in the District. He announced that there are two open seats on the Board this year. Mrs. Jewett is not seeking re-election. Mr. Miller commented that Mrs. Jewett has been an educator for many years. Mrs. Jewett served on the Nashua School Board from 1961 to 1969. She served on the Litchfield School Board from 2004 to 2010. She was on the 275th Anniversary Committee, served on the Budget Committee and is a current Selectwoman. Mr. Miller presented Mrs. Jewett with an award on behalf of the Litchfield School District in honor of her years of service to the town and school district of Litchfield.

Mrs. Jewett thanked everyone for honoring her. She commented that it has been an interesting challenge to serve on the School Board and many other committees. She added that she has enjoyed her years of service.

Mr. Miller announced that Amanda Lecaroz, Director of Curriculum & Instruction, has accepted a position as the Assistant Superintendent in the Windham School District. He congratulated her on her achievement.

Mr. Miller announced that the Board met in non-public session on February 3 to discuss the status of the superintendent candidate search status. Originally, there were three candidates. Two have withdrawn their candidacy with one candidate remaining. After much discussion, the Board decided to postpone the search process. A major contributing factor to the Board's decision was the offer from Litchfield's current Superintendent, Dr. Cutler, to rescind her resignation due to life changes. Mr. Miller announced that Dr. Cutler will remain as Superintendent of the Litchfield School district for at least the next year.

Dr. Cutler addressed the audience expressing her gratitude for the outpouring of support she has received during this difficult time in her life. She spoke highly of the professionals and staff in the District and of the community at large. Dr. Cutler indicated that she was thankful to the School Board for the opportunity to continue to serve the District. She expressed thanks for the support and compassion of the community.

The Moderator closed the intermission. Mr. Regan read Article 2.

ARTICLE 2

Shall the Litchfield School District vote to approve the cost items included in the collective bargaining agreement reached between the Litchfield School District and the Litchfield Education Association which calls for the following increases in salaries and benefits:

<i>Year</i>	<i>Estimated Increase</i>
<i>2009-2010</i>	<i>\$ 0.00</i>
<i>2010-2011</i>	<i>\$ 171,630.00</i>
<i>2011-2012</i>	<i>\$ 232,763.00</i>

LB

and further to raise and appropriate the sum of One Hundred Seventy-One Thousand, Six Hundred Thirty dollars (\$171,630.00) for the 2010-2011 fiscal year, such sum representing the additional costs attributable to the increase in salaries and benefits required by the new agreement over those that would be paid at current staffing levels in accordance with the most recent collective bargaining agreement.

Pursuant to RSA 273-A:12, VII, if approved, the terms of this collective bargaining agreement, including the pay plan, but excluding cost of living increases, will continue in force and effect until a new agreement is executed.

This article was recommended by the School Board by a vote of 4-1-0, and by the Budget Committee by a vote of 7-0-0.

The proposed three-year teacher contract has been ratified by both the Litchfield School District and the Litchfield Education Association. The Budget Committee supports this warrant article.

This is a three-year contract starting with the current school year.

- *For the current school year there are no step increases or cost of living adjustment (COLA) increases.*
- *For 2010-2011:*
 - *there is no COLA,*
 - *69% of the teachers will get step increases of between 3%-4% depending on the numbers of years they have taught,*
 - *31% of the teachers at the top of their salary table in 2010 will receive a one-time salary adjustment of \$950.*
- *For 2011-2012:*
 - *salary schedules are increased by a 1% COLA,*
 - *65% of the teachers will get step increases of between 2.76% - 4.48% depending on their placement in the schedule,*
 - *35% of the teachers at the top of their salary table will receive a one-time salary adjustment of \$600. This payment is NOT in addition to the \$950 they may have received the previous year.*
- *The Evergreen Law will take effect. If a new contract is not reached for 2012-2013 school year, the salary schedules and step increases will remain in effect. Salaries for teachers at the top of the salary schedule will be frozen, but teachers not at the top will continue to receive step increases. COLA and top step adjustments are not part of the pay plan and would not extend beyond this contract. This is a change from the current process.*
- *Health care plans have been changed to a new pharmaceutical plan (\$10/\$20/\$45), which will result in a first year savings to the District of \$58,000. This savings is slightly offset by a \$5,000 prescription reimbursement account to be administered by the Litchfield Education Association.*
- *Language has been added to protect the District from the new NH Retirement 125% penalty on future retirement severance packages. Potential costs under 125 rules could run between \$0 and \$56,000 per teacher.*
- *There is no increase in costs for co-curricular stipends, athletic stipends, course reimbursement and teacher workshops.*
- *Work year reduced from 187 to 186 days.*

LB

Mr. Miller spoke to the article explaining that the contract is the result of a long negotiation process during which he and Mr. Boehm served on a negotiation committee. He noted that the Board's desire was to minimize the cost to the taxpayers, reduce health insurance costs to the District, and maintain competitive salaries to maintain teacher base. Several options were discussed. The end result was that salary schedules would be not be adjusted at all for the first year with no step increase; no adjustment to the schedules for the second year, but includes a step increase for those not on the top step, with a one-time \$950 payment for those at the top step; a 1% adjustment to the schedules for the third year, plus step increases that range from 2.76% to 4.48%, and a one-time payment of \$600 for those at the top step. The contract was ratified and contains no retroactive wages.

Mr. Miller further stated that there will be no increase in co-curricular and athletic stipends over the three years. Board members and the LEA will study the allocation of the stipends. The lower cost health plan reflects increased prescription copays. A \$5000 prescription reimbursement fund will be allocated, which the LEA will manage. Unused funds are not carried over to the following year and are retained by the district. There is no increase in the LEA member professional development dollars over the three years.

Mr. Miller indicated that the contract contains a clause that protects the District from the NH Retirement 125% rule that could require a penalty on some future retirement severance packages. Mr. Miller noted that the Evergreen Clause is in effect, which means that step increases will continue to be paid using the 2011-12 schedules if the approved agreement expires without a follow on agreement. COLA and top step payments are not part of the pay plan and would not go beyond the new contract date.

Mr. Miller noted that the net cost to the District for 2010-11 is \$171,630 with a \$58,000 savings in health insurance. The cost to the District for 2011-12 is \$232,763. The savings in health insurance will compound each year.

Mr. Schlichter spoke to the article. He commented that as a principal he does not participate in negotiations. He recognized both parties for their collaboration, noting they were cognizant of the economic situation. Mr. Schlichter believes that a modest contract is being presented and it sends a message to our teaching staff. He noted that the staff has done an outstanding job with our students as is indicative of the recent assessment scores. Mr. Schlichter commented that student achievement has been outstanding in Litchfield and our teachers foster a welcoming climate for our students. He also noted that there is a low teacher turnover in the District and it is important for our town to say thank you to our teachers.

Maureen Sherwin, 29 Century Lane, commented that GMS is a wonderful place to work. The teachers and administrative staff are excellent. She noted that irrespective of money, the children's education is her reward.

The Moderator opened the floor to discussion of the article.

There were no further amendments or discussion, **Article 2 stands as written.**

LB

Mr. Regan read Article 3.

ARTICLE 3

Shall the Litchfield School District raise and appropriate up to Fifty Thousand dollars (\$50,000.00) to the Capital Reserve Fund for educating educationally disabled children established in 2004 and authorize the use of that amount from the June 30 unreserved fund balance (surplus) available for transfer on July 1 of this year?

This article is recommended by the School Board by a vote of 4-1-0, and not recommended by the Budget Committee by a vote of 7-1-0.

Costs related to special education are often unanticipated. The current fund balance is approximately \$102,000, from which the district may need to cover some current year unexpected special education costs. This reserve fund can be used to offset the costs associated with unexpected special education expenses.

Mr. Miller spoke to the article. He indicated that the Board is not requesting an increase to next year's budget. We are requesting approval to add up to \$50,000 from any funds not spent by June 30, 2010 to the existing special education capital reserve fund. These funds may be used to cover any unanticipated educational costs for a special education student that is not included in the approved budget. Out-of-district placements can cost in excess of \$100,000. The current balance is \$102,000. Mr. Miller noted that there is no Board control over the amount to be transferred into the fund if the article is approved. Funds can be used to cover any unbudgeted costs for special education students. Mr. Miller explained that the District is required by law to pay for all special education costs, regardless if the article is approved. He noted that even if the special education budget were amended to zero, the District is still required by law to pay for all special education costs. Mr. Miller also pointed out that the proposed special education budget was reduced by over \$100,000 based on historical under spend as the Board returns any monies remaining at the end of every year.

The Moderator opened the floor for discussion.

William Barrett, 53 Pilgrim Drive, asked Budget Committee members why they did not recommend the article.

John Harte, Budget Committee Vice Chair, indicated that he voted not to recommend the article because there is currently \$102,000 in the reserve fund balance. He noted that there is a historic under spend in the account. Mr. Harte acknowledged that the Board informed the Budget Committee that this would be a difficult year for special education. However, the Budget Committee is certain that the reserve fund will meet their needs.

Sue Seabrook, 18 Bear Run Drive, asked for clarification that there would be a deficit at the end of the year.

Mr. Miller clarified that a student moved into the District and was identified as an out of district placement, which was an unanticipated cost to special education.

LB

Mrs. Seabrook queried if the reserve fund would be available at the end of the year. Mr. Miller indicated that if it is available the Board would decide on its use.

Mr. Spencer commented that the current shortfall in special education is \$32,000 because the District moved money to cover the cost of the out of district placement. He indicated that the general fund year end forecast is estimated at \$200,000, which should cover the cost.

Mr. Miller indicated that there is an over spend in the current special education budget and that the \$200,000 forecast is an estimate.

Mr. Spencer commented that when the Budget Committee reviewed the special education budget and the tuition aid account members were told that the deficit was only \$32,000 because money was moved to cover the cost of the over spend.

Mr. Miller indicated that the Budget Committee was not told there was a deficit, but that there was an over spend.

Robin Corbeil, 4 Nesmith Court, commented that she would rather have the money in the reserve fund in the event that an unanticipated event occurs. She indicated that, for example, a student could be severely injured and need special education services or a student(s) could move into town and require special education services. She commented that the District would have to find some way to pay for the services and with a lean budget, would have no way to do so.

Mr. Spencer clarified that everything shown indicates the reserve fund will not be expended. He noted that no one is suggesting that there not be a reserve fund. Mr. Spencer indicated that it is suggested that this is not the time to put money in the fund that will raise taxes.

Mr. Martin clarified that as of February 5 there is a \$54,000 over spend in special education out of district tuition. He explained that another student required services and money had to be transferred back to the special education services account. Mr. Martin indicated that he is estimating a year end balance of \$200,000, but there is no guarantee. There may be a chance the District will have to use the reserve fund as we cannot over spend appropriations approved by the voters.

Mr. Guerrette queried about deficit appropriations.

Mr. Martin indicated that in a situation where the District were to over spend appropriations, we could put a deficit appropriation on the ballot. He added that if Article 3 is not approved by the votes, the District would have to find the money in the budget to pay for the special education costs.

Mr. Harte made a motion to amend Article 3 to reflect that, "It is estimated that the June 30 unreserved fund balance will be \$200,000. If this article is approved, \$50,000 must be added to the existing Capital Reserve Fund which contains \$100,000, resulting in an appropriation which may impact the tax rate". Mr. Spencer seconded the motion.

LB

Mr. Harte explained that the Budget Committee is asking for a clarification to the article so voters will understand that money will be taken out of the unreserved fund balance. He noted that it does change the intent of article, but merely clarifies the wording.

Mr. Gordon Graham, attorney for the Litchfield School District, clarified that special education funding is the most complicated school law. He indicated that there are many options available to the District. He confirmed that Mr. Martin was correct in his summation of a deficit appropriation. Mr. Graham indicated that there are other statutes that offer options, but would result in delays in the ways the District spends money in the future. He cautioned that a deficit appropriation would be an unwise option.

The Moderator asked for further discussion. Hearing none, he repeated the motion made by Mr. Harte to amend Article 3.

The motion failed by head count: 38 Yes, 41 No.

There were no further amendments or discussion, **Article 3 stands as written.**

Mr. Miller made a motion to restrict reconsideration on Article 3. Mary Prindle seconded. The motion passed by voice vote.

Mr. Regan read Article 4.

ARTICLE 4 (Petitioned Article)

Shall Litchfield, NH adopt the provisions of RSA 40:14-b to delegate the determination of the default budget to the municipal budget committee which has been adopted under RSA 32:14?

Three-fifths (3/5) ballot vote required.

<i>Not Recommended by the School Board</i>	<i>Recommended by the Budget Committee</i>
<i>(4-1-0)</i>	<i>(5-3-0)</i>

Mr. Guerrette spoke to the article. He indicated approval of the article would make the default budget process the responsibility of the Budget Committee. He added that seven out of the eight Budget Committee members signed the petition. Mr. Guerrette commented that it is a way to provide a method of checks and balances.

Elizabeth Miller, 21 Bear Run Drive, asked Budget Committee members why they recommended the article.

Mr. Spencer indicated that Budget Committee members signed the petition, but did not originate the petition. The Budget Committee discussed the article, the amount of work it may generate, and the checks and balances it may create. He noted that some members voted not to support it and some voted to support the article. Mr. Spencer indicated that he would be willing to take on the responsibility if the article is approved by the voters.

LB

Phil Reed, 7 Forest Lane, questioned, with all due respect to the Budget Committee members, if they are really qualified to prepare a default budget for something as large and complicated as the school district budget? Mr. Reed indicated that he was more confident in the SAU Business Administrator's preparation of the default budget than with the wonderful people that serve on the Budget Committee.

Mr. Spencer commented that, with all due respect, the basic operating budget is much more complicated to prepare than the default. He noted that if charged with the task, the Budget Committee would be able to prepare the default.

Mr. Harte commented that he and Mr. Lemire voted against recommending the article. He noted that his signing the petition was based on the belief that it should at least be brought to the voters. Mr. Harte believes that although the law allows for this transition, the Budget Committee has more than enough to task with the district and town budgets. He indicated that there are people better equipped to prepare the default budget. While Mr. Harte agreed that the Budget Committee would be able to prepare the default, he indicated that it will add to the time and effort that they already spend on the operating budgets. He noted that this year the Budget Committee went into double session to produce a fiscally sound budget. Mr. Harte commented that this should be a shared responsibility.

Mr. Boehm commented that when Senate Bill 2 was first proposed, this was put in as a stop gap measure to protect towns and school districts from greatly exaggerating their default budgets. He affirmed that the default budget has not been exaggerated during his tenure on the School Board. He noted that the District operating budget was lower than the default budget prior to presentation to the Budget Committee. Mr. Boehm indicated that the Board removed items from the default budget that exceed what is required by law. He indicated that there is no need for this article as it creates more work for the Budget Committee and School Board alike.

Mr. Miller commented on the preparation of the default budget. He indicated that the creation criteria are based on RSA 40:13, IX, and is meant to be a "fallback" for the governing body should the operating budget fail. He explained that the default is not based on expenditures in the proposed budget. The default is calculated as the amount of the same appropriations as contained in the operating budget approved for the previous year; reduced and increased, as the case may be, by debt service, contracts, and other obligations previously incurred or mandated by law; and reduced by one-time or non-recurring expenditures contained in the operating budget.

The default budget is not required or expected to always be less than the operating for the same year. The default is intended to provide the same level of services year over year should the proposed operating budget fail.

Mr. Miller further explained that since Litchfield adopted SB2, the default budget, in most years, has given the voters an option to restrict proposed spending increases. He noted that for 2010-11 it provides an option to fund the school district at a higher level than the proposed budget approved by the Budget Committee. Mr. Miller indicated that the 2010-11 default budget is \$131,399 less than the 2009-10 operating budget due to School Board reductions in staffing.

LB

Mr. Miller commented that his questions of the Budget Committee's ability in creating the default budget include the following:

Does the Budget Committee:

- Have the knowledge of the school budget details to create the default budget?
- Have the time to invest in creating the default budget?
- Have money in their budget for legal consultation for default budget preparation?

And finally,

- Can the School Board commit to provide the same level of service to the voters with a default budget created by the Budget Committee?

There were no further amendments or discussion, **Article 4 stands as written.**

The Moderator thanked all who attended and accepted a motion to adjourn at 4:22 p.m. The motion was seconded. The motion passed unanimously by voice vote.

A true record of the Litchfield School District Deliberative Session,

Prepared by:

Michele E. Flynn

Administrative Assistant to the Litchfield School Board



A true record of the

Litchfield School District Deliberative Session

Attest:



Lynn Baderley

School District Clerk

Submitted: February 8, 2010



LITCHFIELD SCHOOL DISTRICT
ANNUAL FINANCIAL REPORT
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2009

LITCHFIELD SCHOOL DISTRICT
ANNUAL FINANCIAL REPORT
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2009

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LITCHFIELD SCHOOL DISTRICT
ANNUAL FINANCIAL REPORT
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2009

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PLODZIK & SANDERSON

Professional Association/Accountants & Auditors

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INDEPENDENT AUDITOR'S REPORT

To the Members of the School Board
Litchfield School District
Litchfield, New Hampshire

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Litchfield School District as of and for the year ended June 30, 2009, which collectively comprise the Litchfield School District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Litchfield School District as of June 30, 2009, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report January 15, 2010 on our consideration of the School District's internal control over financial reporting and our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis and budgetary comparison information are not a required part of the basic financial statements, but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Litchfield School District's basic financial statements. The combining and individual fund schedules are presented for the purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of the Litchfield School District. The combining and individual fund financial schedules and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements, and in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

January 15, 2010

Shirley A. Colby, CAA

PLODZIK & SANDERSON
Professional Association

LITCHFIELD SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) OF THE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2009

The Superintendent of Schools and Business Administrator of New Hampshire School Administrative Unit (SAU) #27, as management of the Litchfield School District (the District), offer readers of the District's annual financial statements this narrative discussion and analysis of the financial activities of the District for the fiscal year which ended June 30, 2009. The District has prepared this discussion and analysis to encourage readers to consider the information presented here in conjunction with additional information found within the body of the annual financial statements.

FINANCIAL HIGHLIGHTS

- The District's total net assets for the year ending June 30, 2009, were \$8,093,919. Net assets increased by \$257,310 between July 1, 2008 total and June 30, 2009. The District's total net assets consisted of \$8,055,132 in capital assets net of debt and an unrestricted net asset balance of \$38,787.
- The District's long-term bonds for Campbell High School as of June 30, 2009 total \$4,485,000. These liabilities are reflected as a reduction in net assets.
- The District did not initiate any new construction projects nor issue any bonds in fiscal year 2009.
- During the year, the District's General Fund budgetary expenditures of \$18,363,109 were \$516,345 less than the final adjusted budget, and the General Fund budgetary revenues of \$18,468,130 were \$56,212 higher than the final adjusted budget. Revenues consist of: charges for services; operating grants and contributions; and general revenues (which consist of local and state property tax assessments, state and federal grants, and contributions not restricted to purpose).
- At the end of the current fiscal year, the unreserved, undesignated fund balance for the General Fund was \$522,557, or 2.85% of total General Fund expenditures, up 11.8% from the prior year. Major contributing factors to this fund balance were: \$56,212 in excess revenues which must be returned to the year-end fund balance; an under spend in Special Education student specific budget accounts of approximately \$230,000 as these anticipated expenses which were budgeted for specific students were not required; an under spend in self-funded programs of \$50,171; and a \$56,000 under spend in the vocational education program contributed due to fewer students attending the regional technology centers. Year-end spending restraints implemented by the Superintendent in order to return a higher year-end fund balance to help reduce taxes were also a major contributor.
- The School District accepted impact fees in the amount of \$31,877 from the Town of Litchfield which were used to offset architectural and engineering costs relative to the consideration of a new elementary school building.

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
OF THE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2009**

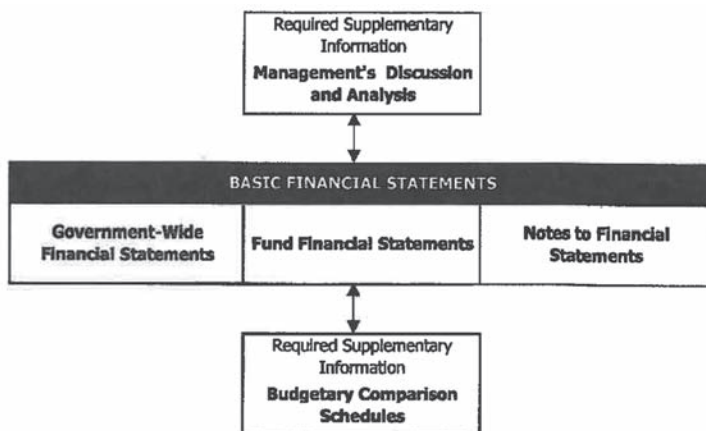
OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the District's annual financial report, which consists of basic financial statements, notes to the financial statements, and related financial information. Our annual financial report consists of five elements: 1) government-wide financial statements, 2) fund financial statements, 3) notes to the financial statements, 4) required supplementary information, and 5) this discussion and analysis. This report also contains other supplementary information in addition to the basic financial statements themselves.

The basic financial statements include two kinds of statements that present different views of the District based upon measurement focus and basis of accounting.

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District's operations in more detail than the government-wide statements. The governmental funds statements tell how the District's services were financed in the short term as well as what remains for future spending. Fiduciary fund statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others, to whom the resources belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. The following exhibit shows how the required parts of this annual report are arranged and related to one another.



**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
OF THE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30 2009**

The following exhibit summarizes the major features of the District's financial statements, including the portion of the District government they cover and the types of information they contain.

	Government-Wide	Fund Statements	
		Governmental	Fiduciary
SCOPE	Entire District government (except fiduciary funds)	All activities of the District that are not proprietary or fiduciary	Instances in which the District is the trustee or agent for someone else's resources
REQUIRED FINANCIAL STATEMENTS	Statement of Net Assets	Balance Sheet	Statement of Fiduciary Assets
	Statement of Activities	Statement of Revenues, Expenditures and Changes in Fund Balances	Statement of Changes in Fiduciary Net Assets (not required for agency funds)
ACCOUNTING BASIS	Accrual	Modified Accrual	Accrual
MEASUREMENT FOCUS	Economic Resources	Current Financial Resources	Economic Resources
TYPE OF INFORMATION ASSETS AND LIABILITIES	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter, no capital assets included	All assets and liabilities, both short-term and long-term
TYPE OF INFORMATION REVENUES, EXPENSES, AND EXPENDITURES	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year, expenditures when goods or services have been received and payment is due during the year or soon thereafter	

The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
OF THE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2009**

Government-wide Financial Statements

The Government-wide Financial Statements show functions of the District that are principally supported by property taxes and intergovernmental revenues as "Governmental Activities." These functions are accounted for in the General Fund, Food Service Fund, Grants Fund, and the Expendable Trust Fund. Intergovernmental revenues include local, state and federal monies. The governmental activities of the District include instruction, support services, operation and maintenance of plant, student transportation and operation of non-instructional services. Taxes and intergovernmental revenues also support fixed assets and related debt.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund definitions are part of a state mandated uniform accounting system and chart of accounts for all New Hampshire School Districts. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

All of the funds of the District can be divided into two categories: governmental funds and fiduciary funds. General Fund, Food Service Fund, Grants Fund and the Expendable Trust Fund are consolidated as Governmental Funds. Both the General Fund and Grants Fund expenditures are compared to budget in the Budgetary Comparison Schedules. Non-major funds include Food Service and the Expendable Trust Funds. All Food Service revenues are expended on program operations and the Grants Fund revenues are spent mainly on instruction. Fiduciary Funds are agency funds established to account for monies belonging to student groups, and are shown on a separate schedule.

Notes To The Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net assets may serve, over time, as a useful indicator of a government's financial position. The largest portion of the District's net assets reflects its investment in capital assets (e.g., land, buildings and improvements, and machinery and equipment); less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The District's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets. Summaries of the capital assets, depreciation and long-term debt obligations can be found in the Notes to Financial Statements. Depreciation is included by accounting convention thus the depreciated value of a District asset, as reflected in these reports, does not reflect an asset's useful, market or replacement value.

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
OF THE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2009**

Net Assets for the period ending June 30, 2009

Total net assets at year end were \$7,836,609, an increase of \$24,087 or 0.31% over the prior year.

Net Assets	2009	2008	Variance
Current Assets	1,377,299	1,801,431	-23.54%
Non-current Assets	12,540,132	12,516,704	0.19%
Total Assets	13,917,431	14,318,135	-2.80%
 Current Liabilities	 628,740	 615,546	 2.14%
Non-current Liabilities	5,194,772	5,865,980	-11.44%
Total Liabilities	5,823,512	6,481,526	-10.15%
 Investment in capital assets (net of debt)			
Restricted net assets	8,055,132	7,231,704	11.39%
Unrestricted net assets	38,787	604,905	-93.59%
Total Net Assets	8,093,919	7,836,609	3.28%

Change in Net Assets

The District's total revenues were \$19,765,992; total expenses were \$19,508,682; resulting in an increase of \$257,310 in net assets. This year, 93.5% of the District's revenues came from the local tax assessment and the State of New Hampshire, an increase of 0.71% from last year. The State of New Hampshire's sources include the locally raised state property tax, federal aid received through the state, and the various state aid programs.

The District's expenditures continue to be largely for instruction and support services (94.6%). Depreciation expense of \$474,324 was 2.6% of total expenses.

The following Statement of Activities provides a more detailed breakdown of revenues and expenses.

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
OF THE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2009**

Statement of Activities	2009	% of Total	2008	% of Total	% Variance
Revenues:					
Program revenues:					
Charges for services	577,916	2.9%	574,599	3.1%	0.58%
Operating grants	1,053,373	5.3%	949,082	5.2%	10.99%
Capital grants	289,882	1.5%	340,666	1.9%	-14.91%
General revenues:					
School district assessment	9,870,148	49.9%	8,534,730	46.5%	15.65%
Unrestricted grants	7,955,508	40.2%	7,890,489	43.0%	0.82%
Miscellaneous	19,165	0.1%	80,127	0.4%	-76.08%
Total revenues	\$19,765,992	100%	\$18,369,693	100%	7.60%
Program Expenses:					
Instruction	11,458,942	58.7%	10,773,118	58.7%	6.37%
Support services:					
Student	1,505,456	7.7%	1,182,598	6.4%	27.30%
Instructional staff	555,270	2.8%	495,613	2.7%	12.04%
General administration	104,764	0.5%	109,877	0.6%	-4.65%
Executive administration	471,481	2.4%	443,666	2.4%	6.27%
School administration	1,116,256	5.7%	1,074,501	5.9%	3.89%
Business	347,284	1.8%	389,956	2.1%	-10.94%
Operation and maintenance of plant	1,934,745	9.9%	1,815,897	9.9%	6.54%
Student transportation	667,012	3.4%	616,975	3.4%	8.11%
Other	402,990	2.1%	438,593	2.4%	-8.12%
Non-instructional services	578,510	3.0%	559,751	3.1%	3.35%
Interest on long-term debt	261,600	1.3%	298,795	1.6%	-12.45%
Facilities acquisition and construction	104,372	0.5%	146,266	0.8%	-28.64%
Total governmental activities	\$19,508,682	100%	\$18,345,606	100%	6.34%
Change in net assets	\$257,310		\$24,087		968.25%
Beginning net assets	\$7,836,609		\$7,812,522		0.31%
Ending net assets	\$8,093,919		\$7,836,609		3.28%

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
OF THE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2009**

Revenues

School district assessment was 49.9% of total revenues for the fiscal year ended June 30, 2009, an increase of 3.4% from the prior year.

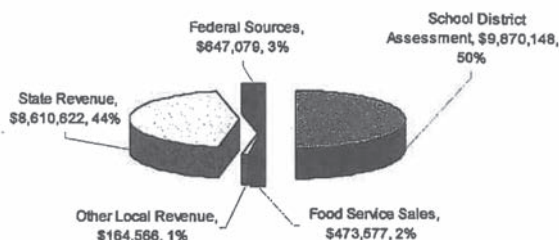
State of New Hampshire source intergovernmental revenues were 43.6% of total revenues for the fiscal year ended June 30, 2009, a decrease of 2.7% from the prior year.

Federal revenues were 3.3% of total revenues for the fiscal year ended June 30, 2009, the same percentage as the prior year.

Summary of Revenues

The biggest share, \$18,480,770 (93.5%), of revenue was derived from local appropriations and intergovernmental sources (State of NH). The state property tax is included as part of intergovernmental revenue even though it is raised locally. This revenue statement includes all revenues from local, state and federal sources.

School District Total Revenues 2008 - 2009



Expenses

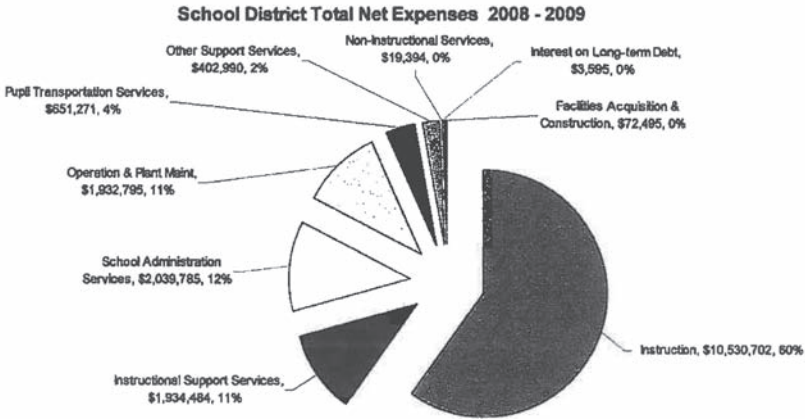
Expenses are reported on an accrual accounting basis. Amounts over or under the prior year expense amounts for the District in area's easily compared are as follows:

- Instruction expenses were 59.9% of total net expenses for the fiscal year ended June 30, 2009, an increase of 0.4% from the prior year.
- Total Support service expenses were 39.7% of total net expenses for the fiscal year ended June 30, 2009, a decrease of 0.2% from the prior year.

Summary of Net Expenses

The Litchfield School District used its budgetary resources as depicted in the chart below. 70.9% of all expenses were on instruction and instructional support. Most federal revenue was again expended on special needs instruction and support, teacher professional development, and instructional equipment. This expense statement includes expenses paid from local, state and federal appropriations. For purposes of this accrual reporting, the State Building Aid revenues of \$258,005 were applied as an offset to the interest on long-term debt.

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
OF THE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2009**



Highlighted changes in total net expenses include:

- An increase in Instruction spending of \$721,447 or 7.4% over the prior year
- An increase in Student Support Services of \$197,116 or 16.7% over the prior year
- An increase in Instructional Staff Support Services of \$59,157 or 11.9% over the prior year
- An increase in Executive Administration of \$27,815 or 6.3% over the prior year
- An increase in School Administration of \$41,755 or 38.9% over the prior year
- A decrease in Business Support Services of \$42,672 or (10.9) % over the prior year due primarily to the savings from the new finance and HR software system.
- An increase in Operation & Plant Maintenance spending of \$116,898 or 6.4% over the prior year
- An increase in Student Transportation of \$43,706 or 7.2% over the prior year
- A decrease in Facilities Acquisition and Construction of \$17,806 or (19.7) % over the prior year.

Governmental Activities

The following exhibit presents the net cost of the District's largest functions based upon the total expense, less charges for services and operating grants and contributions, of each function. The net cost reflects the amount that was funded by general revenues (principally the school district assessment which is derived by local and statewide property taxes and general state aid).

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
OF THE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2009**

TOTAL AND NET COST OF SERVICES

Total Cost of Services					
	2009		2008		Variance
Functions / Programs					
Instruction	11,458,942	58.7%	10,773,118	58.7%	685,824
Support services	7,105,258	36.4%	6,567,676	35.8%	537,582
Food service program	578,510	3.0%	559,751	3.1%	18,759
Facilities acquisition	104,372	0.5%	146,266	0.8%	(41,894)
Unallocated					
Interest	261,600	1.3%	298,795	1.6%	(37,195)
	<u>\$ 19,508,682</u>	<u>100%</u>	<u>\$ 18,345,606</u>	<u>100%</u>	<u>1,163,076</u>

Net Cost of Services					
	2009		2008		Variance
Functions / Programs					
Instruction	\$ 10,530,702	59.9%	\$ 9,809,255	59.5%	721,447
Support services	6,961,325	39.6%	6,558,266	39.8%	403,059
Food service program	19,394	0.1%	9,343	0.1%	10,051
Facilities acquisition	72,495	0.4%	90,301	0.5%	(17,806)
Unallocated					
Interest	3,595	0.0%	14,094	0.1%	(10,499)
	<u>\$ 17,587,511</u>	<u>100%</u>	<u>\$ 16,481,259</u>	<u>100%</u>	<u>1,106,252</u>

The total cost of all governmental activities this year was \$19,508,682; the total net cost was \$17,587,511. The primary financing for these activities of the District was as follows:

Property taxes

- The amount that was paid by taxpayers through property taxes was \$11,765,346; which consisted of \$9,870,148 paid in the form of local property taxes and \$1,895,198 paid in the form of property taxes under the State of New Hampshire state-wide education tax system raised locally for the annual school district assessment.
- An additional amount of \$6,060,310 was received from the State of New Hampshire under the "adequacy grant" provisions of the State's educational funding system, which in addition to other State funding sources includes statewide property taxes collected from other local governments.

Charges for Services

- Tuition and self-funded program revenues were received in the amount of \$95,804.
- Total food service revenues of \$559,560 consisted of food service sales and local miscellaneous revenues in the amount of \$473,453 and federal and state food nutrition program operating contributions (free and reduced lunch reimbursements and commodities) of \$86,107.

Operating Grants and Contributions

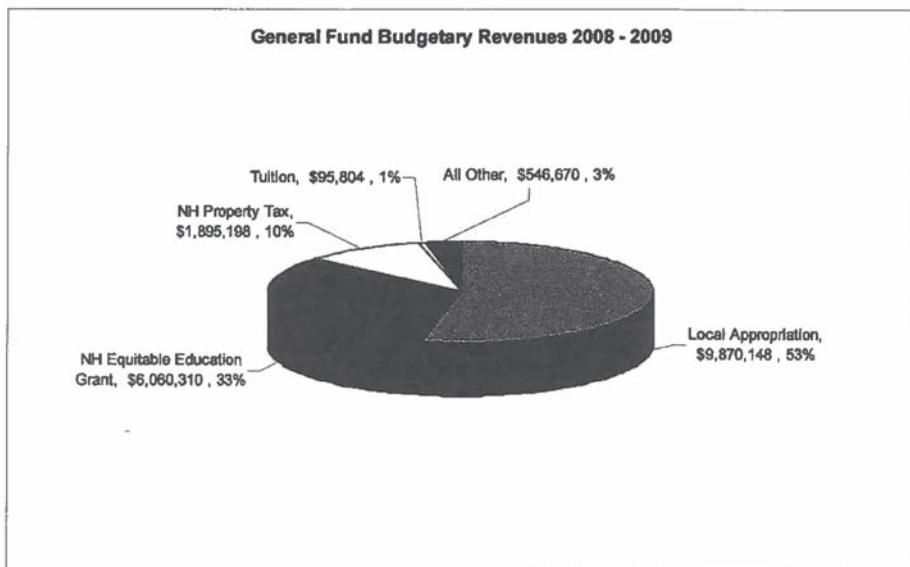
- Federal grants for instruction were received in the amount of \$462,250 with local and state grants of \$26,187.

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
OF THE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2009**

INDIVIDUAL FUND ANALYSIS

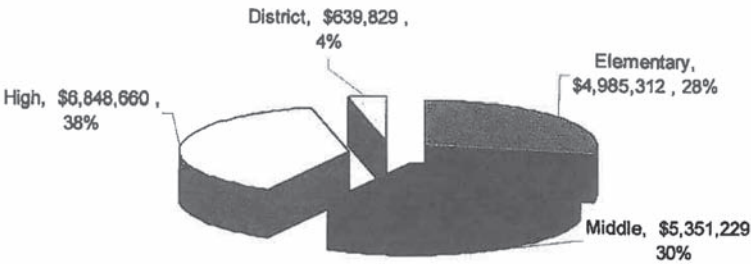
General Fund

The General Fund is what most people think of as "the budget" since it is the focal point of the Annual Deliberative Session and largely supported by locally raised taxes. The local appropriation and the state property tax are raised locally and make up 63.7% of general fund revenues. Together, the revenues raised locally and the state adequacy grant comprises 96.5% of the District's General Fund Budgetary Revenues. Also depicted below are expenditures and percentages by grade level and district wide including all facilities acquisition and construction expenditures but excluding debt service and interfund transfers.



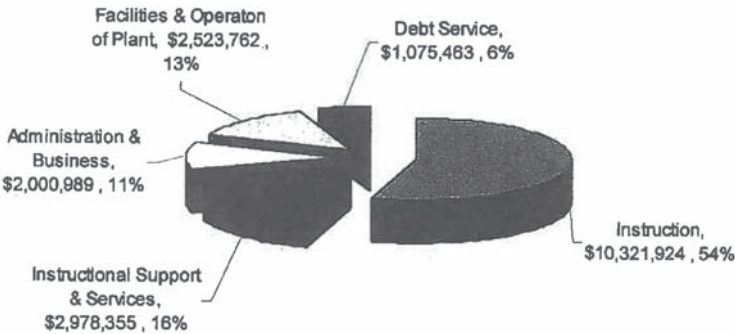
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
OF THE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2009

**General Fund Budgetary Expenditures by Grade Level
2008 - 2009**



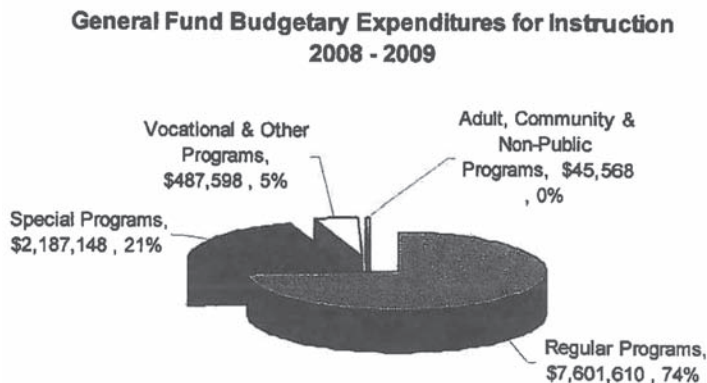
Instruction makes up 54.6% of all general fund expenditures, a decrease of 0.1% over the prior year, while Instructional Support and Services, including transportation, operation of plant, and administration make up 39.7% of all General Fund expenditures, an increase of 0.7% over the prior year. The remaining 5.7% includes debt service – principal and interest, a decrease of 0.7% from the prior year. The following charts provide a more detailed depiction of the makeup and proportions of the expenditures in these broad categories.

**General Fund Budgetary Expenditures by Functions
2008 - 2009**



**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
OF THE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2009**

This chart examines how the direct instructional expenditures are allocated to the various programs.



SUMMARY OF FEDERAL SUPPORT OF THE DISTRICT

During fiscal year 2009, Litchfield School District applied for and received the following significant federal grants:

- Special Education Individuals with Disabilities Education Improvement Act (IDEA) revenues for the current period were \$290,141. These grants funded special needs services and supplies for students throughout the District.
- Title I, Student Achievement and School Accountability Programs was awarded for the current period in the amount of \$98,428. These grants funded the services of an after school program for high school at-risk students, a part-time reading specialist and a math tutor for middle school students, and professional development in the areas of reading and math.
- Title IIA, Improving Teacher Quality State Grants was awarded for the current period in the amount of \$40,595. This grant funded teacher professional development and a new teacher mentoring program.
- Title IID, Education Technology State Grants was awarded for the current period in the amount of \$6,791. These grants funded technology equipment and professional development.
- Title IV, Safe and Drug Free Schools was awarded for the current period in the amount of \$12,308. These grants funded staff training and supplies and safe school student activities.
- A Preschool Grant was awarded for the current period in the amount of \$3,475. The grant was used to provide supplies to support special needs students.
- U. S. Department of Agriculture National School Lunch Program revenues for the current period was \$80,968. These revenues were used to offset the expenses of the school lunch program.

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
OF THE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2009**

CAPITAL RESERVE FUND

Expendable capital reserve funds (established by voters at an annual school district meeting as trust funds in accordance with statutory requirements) are classified as special revenue funds for the basic financial statements. The District's Special Education capital reserve fund and the School Capital Improvement capital reserve fund balances increased \$1125.64 during the year from \$104,203.24 at June 30, 2008, to \$104,328.88 at June 30, 2009. In accordance with statutory requirements, they are held in custody by the Trustees of Trust Funds of the Town of Litchfield and are only released for the restricted specific purposes of the individual funds.

COMMENTS ON GENERAL FUND BUDGET COMPARISONS

- The beginning General Fund equity was \$1,067,819. General Fund revenues, consisting largely of local taxes and state aid, were \$18,717,871. General Fund expenditures, including fund transfers, were \$19,177,511. The ending fund equity for the District was \$635,456, of which \$522,557 is an unreserved fund balance, an increase of \$55,021 from the prior year's unreserved fund balance. The unreserved fund balance is used to lower the amount of money raised by property taxes.
- General Fund actual revenues were greater than the final adjusted budgeted revenues by \$56,212.
- During the year, the School Board increased its General Fund authorized spending \$31,877 above the appropriated budget as a result of RSA 198:20(b) hearings to accept unanticipated Town of Litchfield impact fee funds made available during the year.
- General Fund expenditures were less than the revised authorized spending by \$516,345. These variances are absorbed in the General Fund ending balance. Significant contributors to the under spend in the general fund budget were:
 - Special Education out-of-district tuition, transportation and student support services were under spent by approximately \$230,000. Services that were budgeted for specific students were not required.
 - Vocational Education tuition was under spent by \$56,000 due to fewer students attending Regional Technology Centers.
 - Self-funded programs, which do not impact the local property tax rate, were under spent by \$50,171.
 - Year-end spending restraints implemented by the Superintendent to help reduce the local property tax rate also contributed to the under spend.

We are constantly making changes to our budget planning processes to improve the accuracy of our budget assessments and reduce the size and frequency of future budget variances. Since it is not possible to know in advance all of the circumstances that might create budget variances, we will continue to estimate future costs based on our experience, judgment, and actual expenditure data.

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
OF THE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2009**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

On June 30, 2009, the District reported capital assets of \$12,540,132 (net of accumulated depreciation), which consist of a broad range of capital assets, including land, buildings & improvements, and machinery and equipment.

There were no additions of land assets during the year. Capital asset additions in 2009 included major building and site improvements, a replacement boiler and a fire system upgrade to Griffin Memorial School, and building renovation, new fencing and track repairs at Campbell High School. The District also annually invests in new furnishings, computers and peripherals, printed media and other equipment, as needed.

Governmental Activities	2009	2008	% Variance
Land & Improvements	460,792	460,792	0.00%
Buildings & Improvements	18,333,311	17,816,145	2.90%
Vehicles	14,000	14,000	0.00%
Furniture & Equipment	105,942	105,942	0.00%
Work In Progress			
Totals at Historical Cost	18,914,045	18,396,879	2.81%
Total Accumulated Depreciation	6,373,913	5,880,175	8.40%
NET CAPITAL ASSETS	12,540,132	12,516,704	0.19%

Long-Term Liabilities

On June 30, 2009, the District had \$4,485,000 of outstanding long-term debt, \$597,872 in compensated absences payable, and \$20,185 in capital leases payable long term liabilities.

Governmental Activities	2009	2008	% Variance
General Obligation Bonds	4,485,000	5,285,000	-15.14%
Compensated Absences	597,872	580,980	2.91%
Capital Leases Payable	20,185	0	-
TOTAL LONG-TERM DEBT	5,105,066	5,867,988	-13.00%

This year the District implemented the provisions of the Governmental Accounting Standards Board Statement 45 (GASB-45) *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions (OPEB)*, which requires that the long-term cost of retiree health care and obligations for other OPEB benefits be determined on an actuarial basis and reported in the District's annual financial report. The District does not explicitly subsidize health care benefits of its retirees. All retirees pay 100% of their benefit costs. However, the State of New Hampshire requires that the District include its retirees in the same insurance pool as active employees which may result in an implicit cost to the District as the rates the District pays for its active employees may be higher due to this pooling. This higher rate cost to the District creates a GASB-45 liability to the District. The District has historically funded these higher OPEB costs on a pay-as-you-go basis.

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
OF THE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2009**

For the fiscal year ending June 30, 2009, the annual required contribution to cover OPEB obligations was \$136,340 which was offset by District pay-as-you-go contributions of \$44,625 leaving a net OPEB obligation of \$91,715. As of June 30, 2009, the date of the most recent actuarial valuation, the actuarial accrued liability for these OPEB benefits was \$1,003,009 with no actuarial value of assets, resulting in an unfunded actuarial accrued liability of \$1,003,009.

FUTURE BUDGETARY IMPLICATIONS

In New Hampshire, the public school fiscal year is July 1 to June 30; other programs, i.e., some federal budgets, operate on a different fiscal calendar, but are reflected in the District overall budget as they impact on the District.

The beginning General Fund unreserved equity for the 2009-2010 fiscal year is \$522,557.

The significant activities or events which will have an impact on future district finances include:

1. The Litchfield School Board and the Litchfield Educational Association (teachers) remain in negotiations due to the failure of voters' to approve the previously ratified contract in March 2009. An article to be placed on the 2010 School District Ballot for voter approval is anticipated, and
2. The State of New Hampshire voted to change its adequate education aid funding formula for calculating its required contribution to school districts to be effective in the 2011-2012 year. Unless this new formula is changed, Litchfield is expected to lose almost \$2 million in state funding which will have a significant impact on the town's ability to fund its educational programs, and
3. The District has temporarily suspended its study of our school building needs. It is expected that this issue will be readdressed in the future.

Questions regarding this report should be directed to Elaine Cutler, Ed. D., Superintendent of Schools, or to Mr. Stephen F. Martin, Business Administrator, at (603-578-3570), or by mail at:

Litchfield School District
SAU #27
1 Highlander Court
Litchfield, NH 03052

BASIC FINANCIAL STATEMENTS

EXHIBIT A
LITCHFIELD SCHOOL DISTRICT
Statement of Net Assets
June 30, 2009

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 1,085,576
Intergovernmental receivable	285,764
Other receivables	5,959
Capital assets, not being depreciated:	
Land	460,792
Capital assets, net of applicable accumulated depreciation:	
Buildings and building improvements	12,019,807
Machinery and equipment	59,533
Total assets	<u>13,917,431</u>
LIABILITIES	
Accounts payable	429,735
Accrued payroll and benefits	55,922
Accrued interest payable	100,913
Unearned revenue	42,170
Noncurrent obligations:	
Due within one year:	
Bond	800,000
Capital lease	4,033
Compensated absences	1,921
Due in more than one year:	
Bond	3,685,000
Capital lease	16,152
Compensated absences	595,951
Other postemployment benefits	91,715
Total liabilities	<u>5,823,512</u>
NET ASSETS	
Invested in capital assets, net of related debt	8,055,132
Unrestricted	<u>38,787</u>
Total net assets	<u>\$ 8,093,919</u>

The notes to the basic financial statements are an integral part of this statement.

EXHIBIT B
LITCHFIELD SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2009

		Program Revenues			Net (Expense)
		Charges	Operating	Capital	Revenue and
	Expenses	for	Grants and	Grants and	Change In
		Services	Contributions	Contributions	Net Assets
Governmental activities:					
Instruction	\$ 11,458,942	\$ 95,804	\$ 832,436	\$ -	\$ (10,530,702)
Support services:					
Student	1,505,456	-	125,742	-	(1,379,714)
Instructional staff	555,270	-	500	-	(554,770)
General administration	104,764	-	-	-	(104,764)
Executive administration	471,481	-	-	-	(471,481)
School administration	1,116,256	-	-	-	(1,116,256)
Business	347,284	-	-	-	(347,284)
Operation and maintenance of plant	1,934,745	1,950	-	-	(1,932,795)
Student transportation	667,012	7,152	8,589	-	(651,271)
Other	402,990	-	-	-	(402,990)
Non-instructional services	578,510	473,010	86,106	-	(19,394)
Interest on long-term debt	261,600	-	-	258,005	(3,595)
Facilities acquisition and construction	104,372	-	-	31,877	(72,495)
Total governmental activities	<u>\$ 19,508,682</u>	<u>\$ 577,916</u>	<u>\$ 1,053,373</u>	<u>\$ 289,882</u>	<u>(17,587,511)</u>
General revenues:					
School district assessment					9,870,148
Grants and contributions not restricted to specific programs					7,955,508
Miscellaneous					19,165
Total general revenues					<u>17,844,821</u>
Change in net assets					257,310
Net assets, beginning					7,836,609
Net assets, ending					<u>\$ 8,093,919</u>

The notes to the basic financial statements are an integral part of this statement.

EXHIBIT C-1
LITCHFIELD SCHOOL DISTRICT
Governmental Funds
Balance Sheet
June 30, 2009

	General Fund	Grants Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 979,107	\$ -	\$ 106,469	\$ 1,085,576
Receivables:				
Accounts	2,341	-	3,618	5,959
Intergovernmental	-	176,186	109,578	285,764
Interfund receivable	140,007	-	-	140,007
Total assets	<u>\$ 1,121,455</u>	<u>\$ 176,186</u>	<u>\$ 219,665</u>	<u>\$ 1,517,306</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 55,574	\$ 348	\$ -	\$ 55,922
Accrued payroll and benefits	429,735	-	-	429,735
Interfund payable	-	140,007	-	140,007
Deferred revenue	690	35,831	5,649	42,170
Total liabilities	<u>485,999</u>	<u>176,186</u>	<u>5,649</u>	<u>667,834</u>
Fund balances:				
Reserved for encumbrances	62,899	-	-	62,899
Reserved for special purposes	50,000	-	-	50,000
Unreserved, undesignated, reported in:				
General fund	522,557	-	-	522,557
Special revenue funds	-	-	214,016	214,016
Total fund balances	<u>635,456</u>	<u>-</u>	<u>214,016</u>	<u>849,472</u>
Total liabilities and fund balances	<u>\$ 1,121,455</u>	<u>\$ 176,186</u>	<u>\$ 219,665</u>	<u>\$ 1,517,306</u>

The notes to the basic financial statements are an integral part of this statement.

EXHIBIT C-2
LITCHFIELD SCHOOL DISTRICT
Reconciliation of Total Governmental Fund Balances to the Statement of Net Assets
June 30, 2009

		\$ 849,472
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds.		
Cost	\$ 18,914,045	
Less accumulated depreciation	<u>(6,373,913)</u>	
		12,540,132
Interfund receivables and payables between governmental funds are eliminated on the statement of net assets.		
Receivables	\$ (140,007)	
Payables	<u>140,007</u>	
Interest on long-term debt is not accrued in governmental funds.		
Accrued interest payable		(100,913)
Long-term liabilities are not due and payable in the current period, and therefore, are not reported in the funds.		
Bond	\$ (4,485,000)	
Capital lease	(20,185)	
Compensated absences	(597,872)	
OPEB	<u>(91,715)</u>	
		<u>(5,194,772)</u>
Net assets of governmental activities (Exhibit A)		<u><u>\$ 8,093,919</u></u>

The notes to the basic financial statements are an integral part of this statement.

EXHIBIT C-3
LITCHFIELD SCHOOL DISTRICT
Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2009

	General Fund	Grants Fund	Other Governmental Funds	Total Governmental Funds
Revenues:				
School district assessment	\$ 9,870,148	\$ -	\$ -	\$ 9,870,148
Other local	155,379	9,187	473,577	638,143
State	8,588,484	17,000	5,138	8,610,622
Federal	103,860	462,250	80,969	647,079
Total revenues	<u>18,717,871</u>	<u>488,437</u>	<u>559,684</u>	<u>19,765,992</u>
Expenditures:				
Current:				
Instruction	10,557,834	353,604	-	10,911,438
Support services:				
Student	1,376,804	125,743	-	1,502,547
Instructional staff	553,146	500	-	553,646
General administration	100,706	-	-	100,706
Executive administration	455,780	-	-	455,780
School administration	1,102,009	-	-	1,102,009
Business	342,494	-	-	342,494
Operation and maintenance of plant	1,929,501	-	-	1,929,501
Student transportation	658,422	8,590	-	667,012
Other	403,814	-	-	403,814
Non-instructional services	-	-	578,51	578,510
Debt service:				
Principal	800,000	-	-	800,000
Interest	275,463	-	-	275,463
	<u>621,538</u>			<u>621,538</u>
	<u>19,177,511</u>	<u>488,437</u>	<u>578,510</u>	<u>20,244,458</u>
Deficiency of revenues under expenditures	<u>(459,640)</u>	<u>-</u>	<u>(18,826)</u>	<u>(478,466)</u>
Other financing uses:				
Capital lease inception	<u>27,277</u>			<u>27,277</u>
Net change in fund balances	(432,363)		(18,826)	(451,189)
Fund balances, beginning	1,067,819		232,842	1,300,661
Fund balances, ending	<u>\$ 635,456</u>	<u>\$ -</u>	<u>\$ 214,016</u>	<u>\$ 849,472</u>

The notes to the basic financial statements are an integral part of this statement.

EXHIBIT C-4
LITCHFIELD SCHOOL DISTRICT
*Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2009*

Net change in fund balances of total governmental funds (Exhibit C-3)		\$ (451,189)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. In the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capitalized capital outlay exceeded depreciation expense in the current period.		
Capitalized capital outlay	\$ 517,166	
Depreciation expense	<u>(493,738)</u>	
		23,428
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets.		
Inception of capital lease	\$ (27,277)	
Principal repayment of bond	800,000	
Principal repayment of capital lease	<u>7,092</u>	
		779,815
Some expenses reported in the statement of activities do not require the use of current financial resources, and therefore, are not reported as expenditures in governmental funds.		
Decrease in accrued interest expense	\$ 13,863	
Increase in compensated absences payable	(16,892)	
Increase in OPEB liability	<u>(91,715)</u>	
		(94,744)
Change in net assets of governmental activities (Exhibit B)		<u><u>\$ 257,310</u></u>

The notes to the basic financial statements are an integral part of this statement.

EXHIBIT D
LITCHFIELD SCHOOL DISTRICT
Fiduciary Funds
Statement of Fiduciary Net Assets
For the Fiscal Year Ended June 30, 2009

	<u>Agency</u>
ASSETS	
Cash and cash equivalents	\$ 123,504
LIABILITIES	
Due to student groups	<u>123,504</u>
NET ASSETS	<u><u>\$ -</u></u>

The notes to the basic financial statements are an integral part of this statement.

LITCHFIELD SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2009

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LITCHFIELD SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the Litchfield School District (School District) are presented in conformity with accounting principles generally accepted in the United States of America for governmental units as prescribed by the Governmental Accounting Standards Board (GASB) and other authoritative sources.

The more significant of the School District's accounting policies are described below.

1-A Reporting Entity

In New Hampshire, each town constitutes a school district except school districts organized under special acts of the State legislature. The Litchfield School District serves the community of Litchfield, New Hampshire and provides public education services for approximately 1,591 students in kindergarten through grade 12.

The School District is a municipal corporation governed by a 5-member board elected by the voters of the School District. The reporting entity is comprised of the primary government and any other organizations that are included to ensure that the financial statements are not misleading.

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organization's governing board and (1) the School District is able to significantly influence the programs or services performed or provided by the organization; or (2) the School District is legally entitled to or can otherwise access the organization's resources; the School District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the School District is obligated for the debt of the organization. Based on the foregoing criteria, no other organizations are included in the School District's financial reporting entity.

1-B Financial Statement Presentation

Government-wide financial statements - The government-wide financial statements are designed to provide readers with a broad overview of the School District's finances, in a manner similar to a private-sector business. These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting.

The statement of net assets presents information on all of the School District's assets and liabilities, with the difference between the two presented as net assets. Net assets are reported as one of three categories: invested in capital assets, net of related debt; restricted; or unrestricted. Restricted net assets are further classified as either net assets restricted by enabling legislation or net assets that are otherwise restricted.

The statement of activities presents information showing how the net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event gives rise to the change that occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

Fund financial statements - The School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the School District's funds can be divided into two categories: governmental funds and fiduciary funds.

Governmental funds - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements use a current financial resources measurement focus and the modified accrual basis of accounting, focusing on the near-term inflows and outflows of spendable resources, and balances of spendable resources available at fiscal year end.

LITCHFIELD SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2009

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the School District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The School District maintains four individual governmental funds. Information is presented separately for the General Fund and Grant Fund, which are considered to be major funds. Data from the other two governmental funds (non-major funds) are combined into a single, aggregated presentation identified as "Other Governmental Funds."

The School District adopts annual appropriated budgets for its General Fund and Grant Fund, which is a major special revenue fund. Budgetary comparison schedules have been provided for these funds to demonstrate compliance with the budgets.

Fiduciary funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the School District. The largest fiduciary fund is the agency fund. This fund's activities are reported in a separate statement of fiduciary net assets. The School District uses an agency fund to account for assets held for, and due to, the student groups for their student activity funds. This fund is custodial in nature and does not involve measurement of results or operations. Accordingly, it presents only a statement of fiduciary net assets and does not present a statement of changes in fiduciary net assets. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the School District's own programs. Fiduciary funds are presented on an economic resources measurement focus and the accrual basis of accounting, similar to the government-wide financial statements.

1-C Basis of Accounting and Measurement Focus

The *government-wide* financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of related cash flows. Grant and similar items are recognized as soon as all eligibility requirements imposed by the provider have been met.

Amounts reported as *program revenue* in the government-wide financial statements include: (1) charges to customers or applicants for goods received, services rendered or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than program specific revenues. Accordingly, general revenues include all taxes.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred as under accrual accounting. Debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. However, those expenditures may be accrued if they are to be liquidated with available resources. Nonexchange revenues, in which the School District receives value without directly giving equal value in return, include grants and donations, are recognized when the enforceable legal claim arises and the resources are available. Grant revenues are recognized when all the applicable requirements have been met and the resources are available. All other revenue items are recognized only when cash is received by the School District because they are not measurable until that time.

LITCHFIELD SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2009

The School District reports the following major governmental funds:

The **General Fund** is the School District's primary operating fund. It accounts for all resources of the general government, except those required to be accounted for in other funds.

The **Grants Fund** accounts for the resources received from various federal and state agencies. The resources are restricted to accomplishing the various objectives of the grantor agencies.

The School District also reports two nonmajor governmental funds.

The School District reports the following fiduciary fund:

The **Agency Fund** is used to account for assets held for, and due to, the student groups for their student activity funds.

When both restricted and unrestricted resources are available for use, it is the School District's policy to use restricted resources first, then unrestricted resources as they are needed.

1-D Cash and Cash Equivalents

Cash balances from all funds, except those required to be segregated by law, are combined to form a consolidation of cash. Cash balances are invested to the extent available, and interest earnings are recognized in the General Fund. Certain special revenue and fiduciary funds segregate cash, and investment earnings become part of those funds. Deposits with financial institutions consist primarily of demand deposits, certificates of deposits, and savings accounts. A cash pool is maintained that is available for use by all funds. Each fund's portion of this pool is reflected on the combined financial statements under the caption "cash and cash equivalents." The interest earnings attributable to each fund type is included in other income.

New Hampshire statutes require that the School District treasurer have custody of all moneys belonging to the School District and pay out the same only upon orders of the School Board. The treasurer shall deposit all such moneys in participation units in the public deposit investment pool established pursuant to N.H. RSA 383:22 or in solvent banks in the state. Funds may be deposited in banks outside the state if such banks pledge and deliver to a third party custodial bank or the Federal Reserve Bank, collateral security for such deposits, United States government or government agency obligations or obligations of the State of New Hampshire in value at least equal to the amount of the deposit in each case.

1-E Receivables

Receivables in the government-wide financial statements represent amounts due to the School District at June 30, recorded as revenue, which will be collected in the future and consist primarily of accounts and intergovernmental receivables.

1-F Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as "interfund receivables and payables." Interfund receivables and payables between funds are eliminated in the statement of net assets.

1-G Capital Assets

General capital assets are those assets of a capital nature which the School District owns. These assets generally result from expenditures in governmental funds. The School District reports these assets in the governmental activities column of the government-wide statement of net assets and does not report them in the governmental fund financial statements.

LITCHFIELD SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2009

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of \$10,000 and more than five years of estimated useful life. Improvements to capital assets are capitalized; the costs of normal maintenance and repairs that do not add to the value of an asset or materially extend the asset's life are expensed.

All reported capital assets are depreciated over their estimated useful lives. Depreciation is computed using the straight-line method over the following useful lives:

	<u>Years</u>
Buildings and building improvements	20 - 30
Machinery and equipment	5 - 15

1-H Deferred/Unearned Revenue

In the government-wide financial statements, deferred revenue is recognized when cash, receivables or other assets are recorded prior to their being earned. In the governmental fund financial statements deferred revenue represents monies received or revenues accrued which have not been earned or do not meet the "available" criterion for revenue recognition under the modified accrual basis of accounting. The deferred revenue in the governmental fund types has primarily resulted as an offset to federal funds received in advance of eligible expenditures. On the government-wide statement of net-assets, deferred revenue is classified as unearned revenue.

1-I Compensated Absences

General leave for the School District includes both vacation and sick pay. General leave is based on an employee's length of employment and is earned ratably during the span of employment. Upon termination, employees are paid in full for any accrued general leave earned as set forth by personnel policy.

Vested or accumulated general leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated general leave that are not expected to be liquidated with expendable available financial resources are maintained separately and represents a reconciling item between the fund and government-wide presentations.

1-J Other Long-Term Obligations

Long-term debt and other long-term obligations are reported as liabilities in the government-wide statements. Bond premiums, discounts and issuance costs are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable premiums and discounts. Issuance costs are reported as deferred charges.

1-K Equity

Fund equity at the governmental fund financial reporting level is classified as "fund balance." Equity for all other reporting is classified as "net assets."

Fund Balance - Generally, fund balance represents the difference between the current assets and current liabilities. The School District reserves those portions of fund balance that are legally segregated for a specific future use or which do not represent available, spendable resources, and therefore, are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund balance that is available for appropriation in future periods.

Net Assets - Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. All other net assets are reported as unrestricted.

LITCHFIELD SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2009

1-L Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles, requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

DETAILED NOTES ON ALL FUNDS AND GOVERNMENT-WIDE STATEMENTS

NOTE 2 - RECEIVABLES

Receivables at June 30, 2009, consisted of accounts (tuition and reimbursements) and intergovernmental amounts arising from grants and the trust funds being in the custody of the Town of Litchfield trustees of trust funds.

Receivables are recorded on the School District's financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and collectibility.

NOTE 3 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2009 was as follows:

	Balance, beginning	Changes	Balance, ending
At cost:			
Not being depreciated:			
Land	\$ 460,792	\$ -	\$ 460,792
Being depreciated:			
Buildings and building improvements	17,816,145	517,166	18,333,311
Equipment	119,942	-	119,942
Total capital assets being depreciated	17,936,087	517,166	18,453,253
Total all capital assets	18,396,879	517,166	18,914,045
Less accumulated depreciation:			
Buildings and building improvements	(5,836,957)	(476,547)	(6,313,504)
Equipment	(43,218)	(17,191)	(60,409)
Total accumulated depreciation	(5,880,175)	(493,738)	(6,373,913)
Net book value, capital assets being depreciated	12,055,912	23,428	12,079,340
Net book value, all capital assets	<u>\$ 12,516,704</u>	<u>\$ 23,428</u>	<u>\$ 12,540,132</u>

Depreciation expense was charged to functions of the School District as follows:

Governmental activities:	
Instruction	\$ 486,235
Support services:	
Executive administration	774
Operation and maintenance of plant	6,729
Total depreciation expense	<u>\$ 493,738</u>

LITCHFIELD SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2009

NOTE 4 - INTERFUND BALANCES

The interfund balance at June 30, 2009 consists of an overdraft in the pooled cash.

Interfund receivable and payable balances at June 30, 2009 are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Grants	\$140,007

NOTE 5 - DEFERRED/UNEARNED REVENUE

Deferred/unearned revenue at June 30, 2009 consists of the following:

General fund:	
Fees collected in advance for miscellaneous programs	\$ 690
Food service fund:	
Fees for lunch and milk sales collected in advance	5,649
Grants fund:	
Federal grant revenue collected in advance of eligible expenditures being made	35,831
Total	<u>\$ 42,170</u>

NOTE 6 - LONG-TERM LIABILITIES

Changes in the School District's long-term obligations consisted of the following for the year ended June 30, 2009:

	General Obligation Bond Payable	Capital Lease Payable	Compensated Absences Payable	OPEB	Total
Balance, beginning	\$ 5,285,000	\$ -	\$ 580,980	\$ -	\$ 5,865,980
Additions	-	27,277	16,892	136,340	180,509
Reductions	(800,000)	(7,092)	-	(44,625)	(851,717)
Balance, ending	<u>\$ 4,485,000</u>	<u>\$ 20,185</u>	<u>\$ 597,872</u>	<u>\$ 91,715</u>	<u>\$ 5,194,772</u>

Long-term liabilities payable are comprised of the following:

	Original Amount	Issue Date	Maturity Date	Interest Rate %	Outstanding at June 30, 2009	Current Portion
General obligation bond payable:						
High School construction	\$11,685,500	2000	2015	4.5-5.25	\$ 4,485,000	\$ 800,000
Capital lease payable:						
Music equipment	\$27,277	2009	2013	15.15	20,185	4,033
OPEB					91,715	-
Vested sick leave					208,650	-
Accrued vacation leave					160,550	1,921
Vested retirement stipend					228,672	-
					597,872	1,921
Total					<u>\$ 5,194,772</u>	<u>\$ 805,954</u>

LITCHFIELD SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2009

The annual requirements to amortize all general obligation bond outstanding as of June 30, 2009, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2010	\$ 800,000	\$ 235,463	\$ 1,035,463
2011	800,000	193,463	993,463
2012	800,000	151,463	951,463
2013	800,000	109,463	909,463
2014	800,000	67,463	867,463
2015	485,000	25,462	510,462
Totals	<u>\$ 4,485,000</u>	<u>\$ 782,777</u>	<u>\$ 5,267,777</u>

The annual requirements to amortize the capital lease payable as of June 30, 2009, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2010	\$ 4,033	\$ 3,059	\$ 7,092
2011	4,645	2,447	7,092
2012	5,348	1,744	7,092
2013	6,159	933	7,092
Totals	<u>\$ 20,185</u>	<u>\$ 8,183</u>	<u>\$ 28,368</u>

All debt is general obligation debt of the School District, which is backed by its full faith and credit, and will be repaid from general governmental revenues.

NOTE 7 - NET ASSETS

At June 30, 2009, net assets of the School District consisted of the following:

Invested in capital assets, net of related debt:	
Net property, buildings, machinery, and equipment	\$ 12,540,132
Less: general obligation bonds payable	<u>(4,485,000)</u>
Total invested in capital assets, net of related debt	8,055,132
Unrestricted	<u>38,787</u>
Total net assets	<u>\$ 8,093,919</u>

None of the net assets are restricted by enabling legislation.

NOTE 8 - PENSIONS

The School District participates in the New Hampshire Retirement System (the System) which is the administrator of a cost-sharing multiple-employer contributory pension plan and trust established in 1967 by RSA 100-A:2 and is qualified as a tax-exempt organization under Sections 401(a) and 501(a) of the Internal Revenue Code. The plan is a contributory, defined benefit plan providing service, disability, death and vested retirement benefits to members and their beneficiaries. Provision for benefits and contributions are established and can be amended by the New Hampshire Legislature. The System issues a publicly available financial report that may be obtained by writing the New Hampshire Retirement System, 54 Regional Drive, Concord, NH 03301.

LITCHFIELD SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2009

The System is financed by contributions from both the employees and the School District. Member contribution rates are established and may be amended by the State legislature while employer contribution rates are set by the System trustees based on an actuarial valuation. All employees are required to contribute 5% of earnable compensation. For fiscal year 2009, the School District contributed 3.70% for teachers and 6.81% for other employees. The contribution requirements for the Litchfield School District for the fiscal years 2007, 2008, and 2009 were \$344,758, \$555,117, and \$591,649 respectively, which were paid in full in each year.

The State of New Hampshire funds 35% of employer costs for teachers employed by the School District. This amount, \$249,741, is reported as an "on-behalf" payment, as an expenditure and revenue on the governmental funds statement of revenues, expenditures, and changes in fund balances, and as an expense and revenue on the statement of activities.

NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS (OPEB)

The Governmental Accounting Standards Board (GASB) issued Statement 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. GASB Statement 45, was implemented by the School District during fiscal year 2009, and requires that the long-term cost of retirement health care and obligations for other postemployment benefits (OPEB) be determined on an actuarial basis and reported similar to pension plans. GASB Statement 45 does not mandate the pre-funding of postemployment benefit liabilities. However, any pre-funding of these benefits will help minimize or eliminate the postemployment benefit obligation that will be required to be reported on the financial statements.

The School District has only partially funded (on a pay-as-you-go basis) the annual required contribution (ARC), an actuarially determined rate in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The following table presents the OPEB cost for the year, the amount contributed and changes in the OPEB plan for fiscal year 2009:

Annual required contribution/OPEB cost	\$ 136,340
Contributions made (pay-as-you-go)	<u>(44,625)</u>
Increase in net OPEB obligation	91,715
Net OPEB obligations, beginning	<u>-</u>
Net OPEB obligations, ending	<u>\$ 91,715</u>

The School District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2009 was as follows:

Fiscal Year Ended	Annual Required Contribution (ARC)	Actual Contributions (pay-as-you-go)	Percentage Contributed	Net OPEB Obligation
June 30, 2009	\$136,340	\$44,625	32.73%	\$91,715

As of June 30, 2009, the date of the most recent actuarial valuation, the actuarial accrued liability (AAL) for benefits was \$1,003,009 with no actuarial value of assets, resulting in an unfunded actuarial accrued liability (UAAL) of \$1,003,009.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Actuarially determined amounts are subject to continual revisions as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress, presented as required supplementary information following the notes to the financial statements, is designed to present multiyear trend information about whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

LITCHFIELD SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2009

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. The actuarial methods and assumptions used include techniques that are designed to reduce the effect of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the June 30, 2009 actuarial valuation, the projected unit credit cost method was used. The actuarial assumptions included a 4.5 percent investment rate of return per annum. The projected annual healthcare cost trend is 10 percent initially, reduced by decrements to an ultimate rate of 5 percent after four years. The UAAL is being amortized as a level dollar amount over an open basis. The remaining amortization period at June 30, 2009 was thirty years.

NOTE 10 - RISK MANAGEMENT

The School District is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; or natural disasters. During fiscal year 2009, the School District was a member of the New Hampshire Public Risk Management Exchange (Primex) Workers' Compensation and Property/Liability Programs, which are pooled risk management programs under RSAs 5-B and 281-A. The workers' compensation and employer's liability policy provides statutory coverage for workers' compensation and up to \$2,000,000 of employer's liability coverage. Primex retained \$500,000 of each workers' compensation and liability loss, and \$200,000 of each property loss. The combined liability package includes coverage for property, auto, liability, errors and omissions, crime, and boiler and machinery. The membership and coverage run from July 1 through June 30. The estimated net contribution from the Litchfield School District billed and paid for the year ended June 30, 2009 was \$68,811 for property/liability, and \$46,054 for workers' compensation. The member participation agreements permit Primex to make additional assessments to members, should there be a deficiency in contributions for any member year, not to exceed the member's annual contribution. At this time, Primex foresees no likelihood of any additional assessment for this or any prior year.

NOTE 11 - CONTINGENT LIABILITIES

The School District has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could result in a request for reimbursement from the grantor agency for costs disallowed under terms of the grant. Based on prior experience, the School District believes such disallowances, if any, will be immaterial.

There are various claims and suits pending against the School District which arose in the normal course of the School District's activities. In the opinion of management, the ultimate disposition of these various claims and suits will not have a material effect on the financial position of the School District.

REQUIRED SUPPLEMENTARY INFORMATION

EXHIBIT E-1
LITCHFIELD SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Fiscal Year Ended June 30, 2009

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
School district assessment	\$ 9,870,148	\$ 9,870,148	\$ 9,870,148	\$ -
Other local	143,790	175,667	155,379	(20,288)
State	8,306,103	8,306,103	8,338,743	32,640
Federal	60,000	60,000	103,860	43,860
Total revenues	18,380,041	18,411,918	18,468,130	56,212
Expenditures:				
Current:				
Instruction	10,667,759	10,667,759	10,291,160	376,599
Support services:				
Student	1,353,665	1,353,665	1,374,831	(21,166)
Instructional staff	562,786	562,786	522,511	40,275
General administration	86,393	86,393	100,706	(14,313)
Executive administration	493,772	493,772	453,877	39,895
School administration	1,106,449	1,106,449	1,099,802	6,647
Business	368,927	368,927	317,962	50,965
Operation and maintenance of plant	1,897,886	1,897,886	1,868,897	28,989
Student transportation	757,363	757,363	658,422	98,941
Other	380,487	380,487	382,419	(1,932)
Debt service:				
Principal	800,000	800,000	800,000	-
Interest	275,463	275,463	275,463	-
Facilities acquisition and construction	96,627	128,504	217,059	(88,555)
Total expenditures	18,847,577	18,879,454	18,363,109	516,345
Net change in fund balance	<u>\$ (467,536)</u>	<u>\$ (467,536)</u>	105,021	<u>\$ (460,133)</u>
Increase in fund balance reserved for special purposes			(50,000)	
Unreserved fund balance, beginning			467,536	
Unreserved fund balance, ending			<u>\$ 522,557</u>	

The notes to the required supplementary information are an integral part of this schedule.

EXHIBIT E-2
LITCHFIELD SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (GAAP Basis)
Grants Fund
For the Fiscal Year Ended June 30, 2009

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Local	\$ -	\$ 9,187	\$ 9,187
State	-	17,000	17,000
Federal	535,000	462,250	(72,750)
Total revenues	535,000	488,437	(46,563)
Expenditures:			
Current:			
Instruction	535,000	353,604	181,396
Support services:			
Student	-	125,743	(125,743)
Instructional staff	-	500	(500)
Student transportation	-	8,590	(8,590)
Total expenditures	535,000	488,437	46,563
Net change in fund balance	\$ -	-	\$ -
Fund balance, beginning		-	
Fund balance, ending		\$ -	

The notes to the required supplementary information are an integral part of this schedule.

LITCHFIELD SCHOOL DISTRICT
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED
JUNE 30, 2009

General Budget Policies 1
Budgetary Reconciliation 2

LITCHFIELD SCHOOL DISTRICT
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED
JUNE 30, 2009

1. General Budget Policies

General governmental revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with various legal requirements which govern the School District's operations. At its annual meeting, the School District adopts a budget for the general and grants funds, as well as the nonmajor food service fund. Except as reconciled below, the budget was adopted on a basis consistent with U.S. generally accepted accounting principles.

Management may transfer appropriations between operating categories as deemed necessary, but expenditures may not legally exceed budgeted appropriations in total. All annual appropriations lapse at year-end unless encumbered.

Encumbrance accounting, under which purchase orders, contracts, and continuing appropriations (certain projects and specific items not fully expended at year-end) are recognized, is employed in the governmental funds. Encumbrances are not the equivalent of expenditures, and are therefore, reported as part of the fund balance at year-end, and are carried forward to supplement appropriations of the subsequent year.

State statutes require balanced budgets, but provide for the use of beginning unreserved fund balance to achieve that end. In the fiscal year 2009, \$467,536 of the beginning general fund fund balance was applied for this purpose.

2. Budgetary Reconciliation

The following reconciles the general fund budgetary basis to the GAAP basis.

Revenues:	
Per Exhibit E-1 (budgetary basis)	\$ 18,468,130
Adjustments:	
Basis difference:	
Capital lease inception	27,277
On-behalf retirement contributions made by the State of New Hampshire recognized as revenue on the GAAP basis, but not on the budgetary basis	249,741
Per Exhibit C-3 (GAAP basis)	<u>\$ 18,745,148</u>
Expenditures:	
Per Exhibit E-1 (budgetary basis)	\$ 18,363,109
Adjustments:	
Basis difference:	
Encumbrances, beginning	600,283
Encumbrances, ending	(62,899)
Capital lease inception	27,277
On-behalf retirement contributions made by the State of New Hampshire recognized as an expenditure on the GAAP basis, but not on the budgetary basis	249,741
Per Exhibit C-3 (GAAP basis)	<u>\$ 19,177,511</u>

COMBINING AND INDIVIDUAL FUND SCHEDULES

SCHEDULE 1
LITCHFIELD SCHOOL DISTRICT
Major General Fund
Schedule of Estimated and Actual Revenues (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2009

	Estimated	Actual	Variance Positive (Negative)
School district assessment:			
Current appropriation	\$ 9,870,148	\$ 9,870,148	\$ -
Other local sources:			
Tuition	89,790	95,804	6,014
Transportation	7,000	7,152	152
Investment earnings	25,000	14,939	(10,061)
Impact fees	-	31,877	31,877
Rentals	-	1,950	1,950
Miscellaneous	22,000	3,657	(18,343)
Total from other local sources	143,790	155,379	11,589
State sources:			
Adequacy aid (taxes)	1,895,198	1,895,198	-
Adequacy aid (grant)	6,060,310	6,060,310	-
School building aid	255,371	258,005	2,634
Catastrophic aid	93,224	120,852	27,628
Vocational aid	2,000	4,378	2,378
Total from state sources	8,306,103	8,338,743	32,640
Federal sources:			
Medicaid	60,000	103,860	43,860
Total revenues		<u>\$ 18,468,130</u>	<u>\$ 88,089</u>
Use of fund balance to reduce school district assessment	467,556		
Total revenues and use of fund balance	<u>\$ 18,847,577</u>		

SCHEDULE 2
LITCHFIELD SCHOOL DISTRICT
Major General Fund

Schedule of Appropriations, Expenditures, and Encumbrances (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2009

	Encumbered from Prior Year	Appropriations	Expenditures	Encumbered to Subsequent Year	Variance Positive (Negative)
Current:					
Instruction:					
Regular programs	\$ 13,306	\$ 7,628,449	\$ 7,601,610	\$ 7,192	\$ 32,953
Special programs	2,614	2,448,896	2,187,148	961	263,401
Vocational programs	9,345	34,072	27,040	-	16,377
Adult and community programs	-	-	-	179	(179)
Other	-	556,342	492,295	-	64,047
Total instruction	<u>25,265</u>	<u>10,667,759</u>	<u>10,308,093</u>	<u>8,332</u>	<u>376,599</u>
Support services:					
Student	2,838	1,353,665	1,376,804	865	(21,166)
Instructional staff	34,688	562,786	553,146	4,053	40,275
General administration	-	86,393	100,706	-	(14,313)
Executive administration	1,903	493,772	455,780	-	39,895
School administration	2,207	1,106,449	1,102,009	-	6,647
Business	39,282	368,927	342,494	14,750	50,965
Operation and maintenance of plant	60,964	1,897,886	1,929,501	360	28,989
Student transportation	-	757,363	658,422	-	98,941
Other	21,434	380,487	403,814	39	(1,932)
Total support services	<u>163,316</u>	<u>7,007,728</u>	<u>6,922,676</u>	<u>20,067</u>	<u>228,301</u>
Debt service:					
Principal of long-term debt	-	800,000	800,000	-	-
Interest on long-term debt	-	275,463	275,463	-	-
Total debt service	<u>-</u>	<u>1,075,463</u>	<u>1,075,463</u>	<u>-</u>	<u>-</u>
Facilities acquisition and construction	<u>411,702</u>	<u>96,627</u>	<u>594,261</u>	<u>34,500</u>	<u>(120,432)</u>
Total appropriations, expenditures, and encumbrances	<u>\$ 600,283</u>	<u>\$ 18,847,577</u>	<u>\$ 18,900,493</u>	<u>\$ 62,899</u>	<u>\$ 484,468</u>

SCHEDULE 3
LITCHFIELD SCHOOL DISTRICT
Major General Fund
Schedule of Changes in Unreserved - Undesignated Fund Balance (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2009

Unreserved, undesignated fund balance, beginning		\$ 467,536
Changes:		
Unreserved fund balance used to reduce school district assessment		(467,536)
2008-2009 Budget summary:		
Revenue surplus (Schedule 1)	\$ 88,089	
Unexpended balance of appropriations (Schedule 2)	<u>484,468</u>	
2008-2009 Budget surplus		572,557
Increase in reserve for special purposes		<u>(50,000)</u>
Unreserved, undesignated fund balance, ending		<u><u>\$ 522,557</u></u>

SCHEDULE 4
LITCHFIELD SCHOOL DISTRICT
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2009

	Special Revenue Funds		Total
	Food Service	Expendable Trust	
ASSETS			
Cash and cash equivalents	\$ 106,469	\$ -	\$ 106,469
Receivables:			
Accounts	3,618	-	3,618
Intergovernmental	5,250	104,328	109,578
Total assets	<u>\$ 115,337</u>	<u>\$ 104,328</u>	<u>\$ 219,665</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Deferred revenue	\$ 5,649	\$ -	\$ 5,649
Fund balances:			
Unreserved, undesignated	109,688	104,328	214,016
Total liabilities and fund balances	<u>\$ 115,337</u>	<u>\$ 104,328</u>	<u>\$ 219,665</u>

SCHEDULE 5
LITCHFIELD SCHOOL DISTRICT
Nonmajor Governmental Funds
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2009

	Special Revenue Funds		
	Food Service	Expendable Trust	Total
Revenues:			
Other local	\$ 473,453	\$ 124	\$ 473,577
State	5,138	-	5,138
Federal	80,969	-	80,969
Total revenues	559,560	124	559,684
Expenditures:			
Non-instructional services	578,510		578,510
Net change in fund balances	(18,950)	124	(18,826)
Fund balances, beginning	128,638	104,204	232,842
Fund balances, ending	<u>\$ 109,688</u>	<u>\$ 104,328</u>	<u>\$ 214,016</u>

SCHEDULE 6
LITCHFIELD SCHOOL DISTRICT
Agency Funds
Combining Schedule of Changes in Student Activities Funds
For the Fiscal Year Ended June 30, 2009

	<u>Balance, beginning</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance, ending</u>
Schools:				
Campbell High	\$ 151,767	\$ 368,693	\$ 435,079	\$ 85,381
Litchfield Middle	42,102	191,739	202,291	31,550
Griffin Memorial	5,120	31,315	29,862	6,573
Totals	<u>\$ 198,989</u>	<u>\$ 591,747</u>	<u>\$ 667,232</u>	<u>\$ 123,504</u>

***SINGLE AUDIT ACT SCHEDULES
AND INDEPENDENT AUDITOR'S REPORTS***



PLODZIK & SANDERSON

Professional Association/Accountants & Auditors

193 North Main Street • Concord • New Hampshire • 03301-5063 • 603-225-6996 • FAX-224-1380

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Members of the School Board
Litchfield School District
Litchfield, New Hampshire

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Litchfield School District as of and for the year ended June 30, 2009, and have issued our report thereon dated January 15, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Litchfield School District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Litchfield School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Litchfield School District's internal control over financial reporting.

A *control deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Litchfield School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Litchfield School District

***Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an
Audit of Financial Statements Performed in Accordance with Government Auditing Standards***

This report is intended solely for the information and use of management, the school board, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Gregory A. Cully, CMA

January 15, 2010

PLODZIK & SANDERSON
Professional Association



PLODZIK & SANDERSON

Professional Association/Accountants & Auditors

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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Members of the School Board
Litchfield School District
Litchfield, New Hampshire

Compliance

We have audited the compliance of the Litchfield School District with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to its major federal program for the year ended June 30, 2009. The Litchfield School District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of the Litchfield School District's management. Our responsibility is to express an opinion on the Litchfield School District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Litchfield School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Litchfield School District's compliance with those requirements.

In our opinion, the Litchfield School District complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 2009.

Internal Control over Compliance

The management of the Litchfield School District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Litchfield School District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Litchfield School District's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

Litchfield School District

***Report on Compliance with Requirements Applicable to Each Major Program and on
Internal Control Over Compliance in Accordance with OMB Circular A-133***

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, the school board, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Shirley A. Colly, CPA

PLODZIK & SANDERSON
Professional Association

January 15, 2010

SCHEDULE I
LITCHFIELD SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2009

SECTION I - SUMMARY OF AUDITOR'S RESULTS

A. Financial Statements

1. The auditor's report expresses an unqualified opinion on the financial statements.
2. There were no material weaknesses identified relating to the internal control over financial reporting.
3. There were no significant deficiencies identified which were not considered material weaknesses relating to the internal control over financial reporting.
4. There were no instances of noncompliance material to the financial statements identified.

B. Federal Awards

1. There were no material weaknesses identified relating to the internal control over major programs.
2. There were no significant deficiencies identified which were not considered material weaknesses relating to the internal control over major programs.
3. The auditor's report on compliance for major programs expresses an unqualified opinion.
4. There are no audit findings required to be reported in accordance with Circular A-133.
5. The program tested as a major program is the Special Education Cluster.
6. The threshold for distinguishing between Types A and B programs was \$300,000.
7. The Litchfield School District was determined not to be a low-risk auditee.

SECTION II - FINANCIAL STATEMENT FINDINGS

NONE

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

NONE

SCHEDULE II
LITCHFIELD SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2009

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Grantor's Number	Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE			
Passed Through the State of New Hampshire Department of Education			
National School Lunch Program (Note 2)	10.555	N/A	\$ 80,968
U.S. DEPARTMENT OF EDUCATION			
Passed through the State of New Hampshire Department of Education			
Title I Grants to Local Educational Agencies:			
After School Program	84.010	80077	10,664
SINI	84.010	80187	4,970
Title I 08-09	84.010	90086	67,888
SINI	84.010	90264	14,906
<i>PROGRAM TOTAL</i>			<u>98,428</u>
SPECIAL EDUCATION CLUSTER			
Special Education - Grants to States:			
IDEA - B	84.027	82562	582
IDEA - B	84.027	92546	289,559
Special Education - Preschool Grants:			
SPED - preschool	84.173	82746	(526)
SPED - preschool	84.173	92738	4,001
<i>CLUSTER TOTAL</i>			<u>293,616</u>
Safe and Drug-Free Schools and Communities - State Grants:			
Title IV Round 2 Redistribution	84.186	84332	10,511
Title IV Redistribution	84.186	84377	7,403
Title IV	84.186	86582	(486)
Title IV	84.186	96588	5,391
<i>PROGRAM TOTAL</i>			<u>22,819</u>
Education Technology State Grants:			
Title IID Digital Port	84.318	94505	3,547
Title IID	84.318	94506	3,244
<i>PROGRAM TOTAL</i>			<u>6,791</u>
Improving Teacher Quality State Grants:			
Targeted HPQD	84.367	84706	966
Title IIA	84.367	84867	13,210
Title IIA 2009	84.367	94871	26,420
<i>PROGRAM TOTAL</i>			<u>40,595</u>
U.S. DEPARTMENT OF HOMELAND SECURITY			
Passed Through the State of New Hampshire Department of Safety			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-1812-DR-NH	3,479
GRAND TOTAL			<u>\$ 546,697</u>

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

LITCHFIELD SCHOOL DISTRICT
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Litchfield School District and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 2. Food Donation

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities on the date received.

Litchfield School District
Statement of Actual Expenditures for
Special Education Programs and Services

	2007 – 2008	2008 -- 2009
EXPENDITURES		
Instruction	\$ 2,190,080.26	\$ 2,332,143.47
Related Services	\$ 540,783.10	\$ 611,292.08
Administration	\$ 178,413.77	\$ 188,024.98
Legal	\$ 10,920.94	\$ 59,225.08
Transportation	\$ 118,730.73	\$ 156,033.92
Total Expenditures	\$ 3,038,928.80	\$ 3,346,719.53
REVENUES		
NH Catastrophic Aid	\$ 95,666.05	\$ 120,851.66
IDEA Grant	\$ 252,351.37	\$ 290,141.00
Preschool Grant	\$ 5,692.96	\$ 3,475.00
Medicaid	\$ 80,100.90	\$ 103,859.73
Tuition	\$ 67,048.54	\$ 35,115.00
Total Revenues	\$ 504,859.82	\$ 553,442.39

Department of Special Services
Student Census of Disabilities
December 2009

DISABILITIES	IN DISTRICT	OUT OF DISTRICT	TOTAL
Hearing Impaired, Speech/Language Impairment, Visual Impairment	34	0	34
Orthopedic Impairment, Other Health Impairment, Multiple Disabilities, Autism	24	2	26
Mental Retardation, Developmental Delay	27	1	28
Learning Disabilities	37	1	38
Emotional Disturbance	0	5	5
TOTAL	122	9	131

SCHOOL BUDGET FORM

BUDGET FORM FOR SCHOOL DISTRICTS WHICH HAVE ADOPTED
THE PROVISIONS OF RSA 32:14 THROUGH 32:24

OF: LITCHFIELD, NH

Appropriations and Estimates of Revenue for the Fiscal Year From July 1, 2010 to June 30, 2011

IMPORTANT:

Please read RSA 32:5 applicable to all municipalities.

1. Use this form to list ALL APPROPRIATIONS in the appropriate recommended and not recommended area. This means the operating budget and all special and individual warrant articles must be posted.
2. Hold at least one public hearing on this budget.
3. When completed, a copy of the budget must be posted with the warrant. Another copy must be placed on file with the school clerk, and a copy sent to the Department of Revenue Administration at the address below within 20 days after the meeting.

This form was posted with the warrant on (Date): 1/22/10

BUDGET COMMITTEE

Please sign in ink.

Under penalties of perjury, I declare that I have examined the information contained in this form and to the best of my belief it is true, correct and complete

[Signature]
[Signature]
[Signature]
[Signature]

[Signature]
[Signature]
[Signature]

THIS BUDGET SHALL BE POSTED WITH THE SCHOOL WARRANT

FOR DRA USE ONLY

NH DEPARTMENT OF REVENUE ADMINISTRATION
MUNICIPAL SERVICES DIVISION
P.O. BOX 487, CONCORD, NH 03302-0487
(603)271-3397

1 2 3 4 5 6 7 8 9

Acct.#	PURPOSE OF APPROPRIATIONS (RSA 32:3.V)	OP Bud. WARR. ART.#	Expenditures for Year 7/1/08 to 6/30/09	Appropriations Current Year as Approved by DRA	School Board's Appropriations Ensuing Fiscal Year		Budget Committee's Approp. Ensuing Fiscal Year	
					RECOMMENDED	NOT RECOMMENDED	RECOMMENDED	NOT RECOMMENDED
INSTRUCTION (1000-1999)								
1100-1199	Regular Programs	1	7,608,802.70	7,733,979	7,786,427		7,717,004	69,423
1200-1299	Special Programs	1	2,188,108.82	2,534,263	2,578,994		2,503,244	75,750
1300-1399	Vocational Programs	1	27,039.83	34,072	27,040		27,040	0
1400-1499	Other Programs	1	460,557.78	465,913	456,094		438,448	17,646
1500-1599	Non-Public Programs	1	31,736.75	44,190	69,000		69,000	0
1600-1899	Adult & Community Programs	1	14,009.51	23,585	25,559		25,559	0
SUPPORT SERVICES (2000-2999)								
2000-2199	Student Support Services	1	1,363,837.94	1,453,582	1,453,883		1,453,112	772
2200-2299	Instructional Staff Services	1	557,199.97	602,842	477,009		473,009	4,000
General Administration								
2310 840	School Board Contingency							
2310-2319	Other School Board	1	100,705.85	93,233	100,633		100,033	600
Executive Administration								
2320-310	SAU Management Services							
2320-2399	All Other Administration	1	455,780.45	518,469	534,497		533,026	1,471
2400-2499	School Administration Service	1	1,102,008.82	1,163,388	1,189,663		1,189,663	0
2500-2599	Business	1	357,244.14	298,427	287,540		286,491	1,049
2600-2699	Operation & Maintenance of Plant	1	1,929,860.79	2,080,565	2,012,896		2,009,491	3,405
2700-2799	Student Transportation	1	658,422.01	801,565	820,867		778,867	42,000
2800-2999	Support Service Central & Other	1	403,852.41	399,008	392,909		324,330	68,579
3000-3999	NON-INSTRUCTIONAL SERVICES							
FACILITIES ACQUISITIONS & CONSTRUCTION								
4000-4999		1	628,760.81	287,938	304,963		234,963	70,000

1 2 3 4 5 6 7 8 9

Acct.#	PURPOSE OF APPROPRIATIONS (RSA 32:3.V)		OP Bud WARR. ART.#	Expenditures for Year 7/1/08 to 6/30/09		Appropriations Current Year As Approved by DRA		School Board's Appropriations Ensuing Fiscal Year		Budget Committee's Approp. Ensuing Fiscal Year	
								RECOMMENDED	NOT RECOMMENDED	RECOMMENDED	NOT RECOMMENDED

OTHER OUTLAYS (5000-5999)

5110	Debt Service - Principal	1	800,000.00	800,000	800,000	800,000	800,000	800,000	XXXXXXX	XXXXXXX	XXXXXXX
5120	Debt Service - Interest	1	275,463.00	235,463	193,463	193,463	193,463	193,463	XXXXXXX	XXXXXXX	XXXXXXX

FUND TRANSFERS

5220-5221	To Food Service	1	578,509.63	622,154	605,128	605,128	605,128	605,128	XXXXXXX	XXXXXXX	XXXXXXX
5222-5229	To Other Special Revenue	1	501,579.30	535,000	770,000	770,000	770,000	770,000	XXXXXXX	XXXXXXX	XXXXXXX
5230-5239	To Capital Projects								XXXXXXX	XXXXXXX	XXXXXXX
5251	To Capital Reserves (page 4)			50,000					XXXXXXX	XXXXXXX	XXXXXXX
5252	To Expendable Trust (page 4)								XXXXXXX	XXXXXXX	XXXXXXX
5253	To Non-Expendable Trusts								XXXXXXX	XXXXXXX	XXXXXXX
5254	To Agency Funds								XXXXXXX	XXXXXXX	XXXXXXX
5300-5399	Intergovernmental Agency Alloc.								XXXXXXX	XXXXXXX	XXXXXXX
	SUPPLEMENTAL								XXXXXXX	XXXXXXX	XXXXXXX
	DEFICIT								XXXXXXX	XXXXXXX	XXXXXXX
	Operating Budget Total		20,043,480.51	20,777,636	20,886,565	20,886,565	20,886,565	20,531,871	XXXXXXX	XXXXXXX	XXXXXXX

SPECIAL WARRANT ARTICLES

Special warrant articles are defined in RSA 32:3, VI, as: 1) appropriations in petitioned warrant articles; 2) appropriations raised by bonds or notes; 3) appropriations to a separate fund created pursuant to law, such as capital reserve funds or trust funds; 4) an appropriation designated on the warrant as a special article or as a nonlapsing or nontransferable article.

[illegible]

INDIVIDUAL WARRANT ARTICLES

"individual" warrant articles are not necessarily the same as "special warrant articles". Examples of individual warrant articles might be: 1) Negotiated cost items for labor agreements; 2) Leases; 3) Supplemental appropriations for the current year for which funding is already available; or 4) Deficit appropriations for the current year which must be funded through taxation.

1	2	3	4	5	6	7	8	9
	PURPOSE OF APPROPRIATIONS (RSA 32:3.V)	Expenditures for Year 7/1/08 to 6/30/09	Appropriations Prior Year As Approved by DRA	WARR. ART.#	School Board's Appropriations Ensuing Fiscal Year RECOMMENDED	School Board's Appropriations Ensuing Fiscal Year NOT RECOMMENDED	Budget Committee's Approp. Ensuing Fiscal Year RECOMMENDED	Budget Committee's Approp. Ensuing Fiscal Year NOT RECOMMENDED
Acct.#								
Various	New Teachers' Contract	0	0	2	171,630		171,630	
INDIVIDUAL ARTICLES RECOMMENDED		XXXXXXXXXX	XXXXXXXXXX	XXXX	171,630	XXXXXXXXXX	171,630	XXXXXXXXXX

5

6

Acct.#	SOURCE OF REVENUE	WARR. ART.#	Revised Revenues Current Year	School Board's Estimated Revenues	Budget Committee's Est. Revenues
REVENUE FROM LOCAL SOURCES			XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
1300-1349	Tuition		15,000	15,000	15,000
1400-1449	Transportation Fees		6,000	6,000	6,000
1500-1599	Earnings on Investments		10,000	15,300	15,300
1600-1699	Food Service Sales		539,354	503,028	503,028
1700-1799	Student Activities		44,190	69,000	69,000
1800-1899	Community Services Activities		17,025	19,962	19,962
1900-1999	Other Local Sources		4,500	7,000	7,000
REVENUE FROM STATE SOURCES			XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
3210	School Building Aid		270,050	260,787	260,787
3220	Kindergarten Aid		317,334	209,411	411
3230	Catastrophic Aid		129,243	120,000	120,000
3240-3249	Vocational Aid		2,000	2,000	2,000
3250	Adult Education				
3260	Child Nutrition		4,800	6,640	6,640
3270	Driver Education				
3290-3299	Other State Sources				
REVENUE FROM FEDERAL SOURCES			XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
4100-4539	Federal Program Grants		245,000	480,000	480,000
4540	Vocational Education				
4550	Adult Education				
4560	Child Nutrition		78,000	95,160	95,160
4570	Disabilities Programs		290,000	290,000	290,000
4580	Medicaid Distribution		60,000	60,000	60,000
4590-4999	Other Federal Sources (except 4810)				
4810	Federal Forest Reserve				
OTHER FINANCING SOURCES			XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
5110-5139	Sale of Bonds or Notes				
5221	Transfer from Food Service-Spec.Rev.Fund				
5222	Transfer from Other Special Revenue Funds				
5230	Transfer from Capital Project Funds				
5251	Transfer from Capital Reserve Funds				

1	2	3	4	5	6
Acct.#	SOURCE OF REVENUE	WARR. ART.#	Revised Revenues Current Year	School Board's Estimated Revenues	Budget Committee's Est. Revenues
OTHER FINANCING SOURCES CONT.			XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
5252	Transfer from Expendable Trust Funds				
5253	Transfer from Non-Expendable Trust Funds				
5300-5699	Other Financing Sources				
5140	This Section for Calculation of RAN's (Reimbursement Anticipation Notes) Per RSA 198:20-d for Catastrophic Aid Borrowing RAN, Revenue This FY _____ less RAN, Revenue Last FY =NET RAN				
	Supplemental Appropriation (Contra)				
	Voted From Fund Balance				
	Fund Balance to Reduce Taxes		200,000	200,000	200,000
Total Estimated Revenue & Credits			2,232,496	2,359,288	2,359,288

****BUDGET SUMMARY****

	Current Year Adopted Budget	School Board's Recommended Budget	Budget Committee's Recommended Budget
Operating Budget Appropriations Recommended (from page 3)	20,777,636	20,886,565	20,531,871
Special Warrant Articles Recommended (from page 4)		50,000	0
Individual Warrant Articles Recommended (from page 4)		171,630	171,630
TOTAL Appropriations Recommended	20,777,636	21,108,195	20,703,501
Less: Amount of Estimated Revenues & Credits (from above)	2,232,496	2,359,288	2,359,288
Less: Amount of State Education Tax/Grant	6,125,163	6,147,683	6,147,683
Estimated Amount of Local Taxes to be Raised For Education	12,419,977	12,601,224	12,196,530

Maximum Allowable Increase to Budget Committee's Recommended Budget per RSA 32:18: \$22,674,505
(See Supplemental Schedule With 10% Calculation)

BUDGET COMMITTEE SUPPLEMENTAL SCHEDULE

(For Calculating 10% Maximum Increase)

(RSA 32:18, 19, & 32:21)

VERSION #2: Use if you have Collective Bargaining Cost Items

LOCAL GOVERNMENTAL UNIT: Litchfield School District FISCAL YEAR END 2011

Col. A

	RECOMMENDED AMOUNT		
1. Total RECOMMENDED by Budget Committee (see budget MS7, 27, or 37)	\$20,703,501		
LESS EXCLUSIONS:			
2. Principal: Long-Term Bonds & Notes	(800,000)		
3. Interest: Long-Term Bonds & Notes	(193,463)		
4. Capital Outlays Funded From Long-Term Bonds & Notes per RSA 33:8 & 33:7-b	0		
5. Mandatory Assessments	0		
6. TOTAL EXCLUSIONS (Sum of rows 2-5)	< 993,463 >		
7. Amount recommended less recommended exclusion amounts (Line 1 less Line 6)	\$19,710,038		
8. Line 7 times 10%	\$1,971,004		Col. C
9. Maximum allowable appropriation prior to vote (Line 1 + 8)	\$22,674,505	Col. B	(Col. B-A)
10. Collective Bargaining Cost Items, RSA 32:19 & 273-A:1, IV, (Complete Col. A prior to meeting & Col. B and Col. C at meeting)	Cost items recommended \$171,630	Cost items voted	Amt. voted above recommended

MAXIMUM ALLOWABLE APPROPRIATIONS VOTED

At meeting, add Line 9 + Column C.

\$ 22,674,505

Line 8 plus any amounts in Column C (amounts voted above recommended) is the allowable increase to budget committee's recommended budget. Enter this amount on the bottom of the posted budget form, MS7, 27, or 37.

Please attach a copy of this completed supplemental schedule to the back of the budget form.

Default Budget - School District of Litchfield FY 2011

1	2	3	4	5	6
Acct.#	PURPOSE OF APPROPRIATIONS (RSA 32:3,V)	Prior Year Adopted Operating Budget	Reductions & Increases	Minus 1-Time Appropriations	DEFAULT BUDGET
INSTRUCTION (1000-1999)		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
1100-1199	Regular Programs	7,733,979	72,667	(52,944)	7,753,702
1200-1299	Special Programs	2,534,263	131,576	(14,177)	2,651,662
1300-1399	Vocational Programs	34,072	(7,032)		27,040
1400-1499	Other Programs	465,913	338	(3,875)	462,376
1500-1599	Non-Public Programs	44,190	24,810		69,000
1600-1899	Adult & Community Programs	23,585	1,974		25,559
SUPPORT SERVICES (2000-2999)		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
2000-2199	Student Support Services	1,453,582	12,063	(8,201)	1,457,444
2200-2299	Instructional Staff Services	602,842	(102,519)	(3,981)	496,342
General Administration		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
2310 840	School Board Contingency				
2310-2319	Other School Board	93,233	3,316		96,549
Executive Administration		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
2320-310	SAU Management Services				
2320-2399	All Other Administration	518,469	22,532		541,001
2400-2499	School Administration Service	1,163,388	31,019	(1,517)	92,890
2500-2599	Business	298,427	(6,470)		291,957
2600-2699	Operation & Maintenance of Plant	2,080,565	(73,836)	(4,000)	2,002,729
2700-2799	Student Transportation	801,565	19,302		820,867
2800-2999	Support Service Central & Other	399,008	(8,469)		390,539
3000-3999	NON-INSTRUCTIONAL SERVICES				
4000-4999	FACILITIES ACQUISITIONS & CONSTRUCTION	287,938	(3,621)	(68,354)	215,963
OTHER OUTLAYS (5000-5999)		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
5110	Debt Service - Principal	800,000			800,000
5120	Debt Service - Interest	235,463	(42,000)		193,463
FUND TRANSFERS		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
5220-5221	To Food Service	622,154	(1 ,026)		605,128
5222-5229	To Other Special Revenue	535,000	235,000		770,000
5230-5239	To Capital Projects				
5251	To Capital Reserves	50,000		(50,000)	0
5252	To Expendable Trust				

Default Budget - School District of Litchfield FY 2011

1	2	3	4	5	6
Acct.#	PURPOSE OF APPROPRIATIONS (RSA 32:3,V)	Prior Year Adopted Operating Budget	Reductions & Increases	Minus 1-Time Appropriations	DEFAULT BUDGET
	FUND TRANSFERS	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
5253	To Non-Expendable Trusts				
5254	To Agency Funds				
5300-5399	Intergovernmental Agency Alloc.				
	SUPPLEMENTAL				
	DEFICIT				
	SUBTOTAL 1	\$20,777,636	\$293,623	(\$207,049)	\$20,864,211

Please use the box below to explain increases or reductions in columns 4 & 5.

Acct #	Explanation for Increases	Acct #	Explanation for Reductions
1100-1199	Contracted and scheduled salary increases. Increased benefit costs. Copier lease agreements.	1100-1199	Curriculum review cycle. Reduction of staff.
1200-1299	Scheduled salary increases. Increased benefit costs. Increase in SPED out-of-district tuition.	1200-1299	Reduction in staff. Reduction in contracted services and equipment required for 504 students.
1400-1499	Scheduled salary increases. Increased benefit costs.	1300-1399	Reduction in vocational education tuition.
1500-1599	Increase in self-funded program costs for summer reading program.	2000-2199	Reduction in speech and OT/PT services.
1600-1699	Increase in adult education program costs.	2200-2299	Reduction in staff to part-time basis. Reduction to technology plan costs.
2000-2199	Contracted and scheduled salary increases. Increased benefit costs. Increase in 504 required professional services and equipment.	2500-2599	Reduction in staff to part-time basis.
2200-2299	Contracted and scheduled salary increases. Increased benefit costs.	2600-2699	Reduction in contracted services, energy/utilities, and storage rental units.
2310-2319	Scheduled salary increases. Increase in benefit costs.	2700-2799	Reduction in non-SPED student transportation costs.
2320-2399	Contracted and scheduled salary increases. Increased benefit costs.	2800-2999	Reduction to technology plan costs. Reduction in data communication costs.
2400-2499	Scheduled salary increases. Increased benefit costs.	4000-4999	Reduction in kindergarten portable leases. Reduction to GMS repairs (gym lighting and fire alarm upgrade).
2500-2599	Scheduled salary increases. Increase in benefit costs. Increase in contracted services for regulatory compliance.	5120	Reduction in Bond interest costs.
2600-2699	Scheduled salary increases. Increased benefit costs. Increased costs in contracts, service agreements, and insurance.	5220-5221	Decrease in food supply quantities.
2700-2799	Increase in SPED student contracted transportation costs.		
2800-2999	Scheduled salary increases. Increase in benefit costs.		
4000-4999	Construction of additional ADA compliant bathrooms at GMS required by Litchfield Fire, Building Inspector and Health Departments.		
5222-5229	Increase in federal grants.		
Column 5 - One-Time Expenditures			
		1100-1199	New furniture and equipment.
		1200-1299	New furniture and equipment.
		1400-1499	New equipment.
		2000-2199	New furniture and equipment.
		2200-2299	New furniture and equipment.
		2400-2499	New equipment.
		2600-2699	New equipment.
		4000-4999	Kindergarten Site Setup
		5251	SPED Capital Reserve Transfer

Office of the Superintendent of Schools

1 Highlander Court
Litchfield, NH 03052
578-3570

Elaine F. Cutler, Ed. D, Interim Superintendent
Stephen Martin, Business Administrator
Amanda Lecaroz, Director Curriculum and Instruction
Deb Mahoney, Director Human Resources
Ronda Gregg, Director Special Services
Hilda Lawrence, Director Food Service

Griffin Memorial School

229 Charles Bancroft Highway
Litchfield, NH 03052
424-5931
Martin Schlichter, Principal
Stacy Maghakian, Assistant Principal

Litchfield Middle School

19 McElwain Drive
Litchfield, NH 03052
424-2133
Tom Lecklider, Principal
Kerry Finnegan, Assistant Principal

Campbell High School

1 Highlander Court
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546-0300
Robert Manseau, Principal
Laurie Rothhaus, Assistant Principal